AUGUST 27, 1984 THREE DOLLARS

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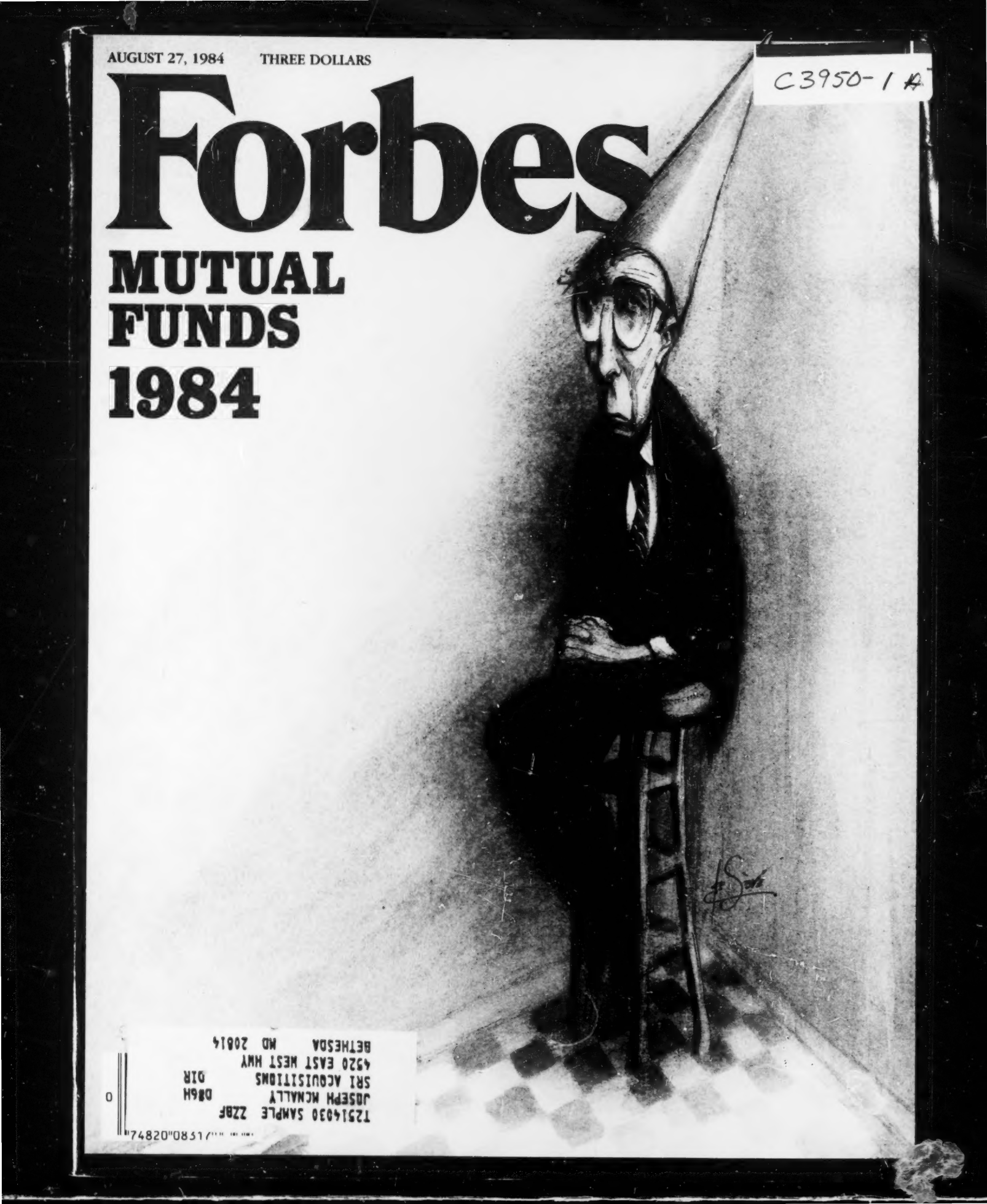
Forbes

MUTUAL FUNDS 1984



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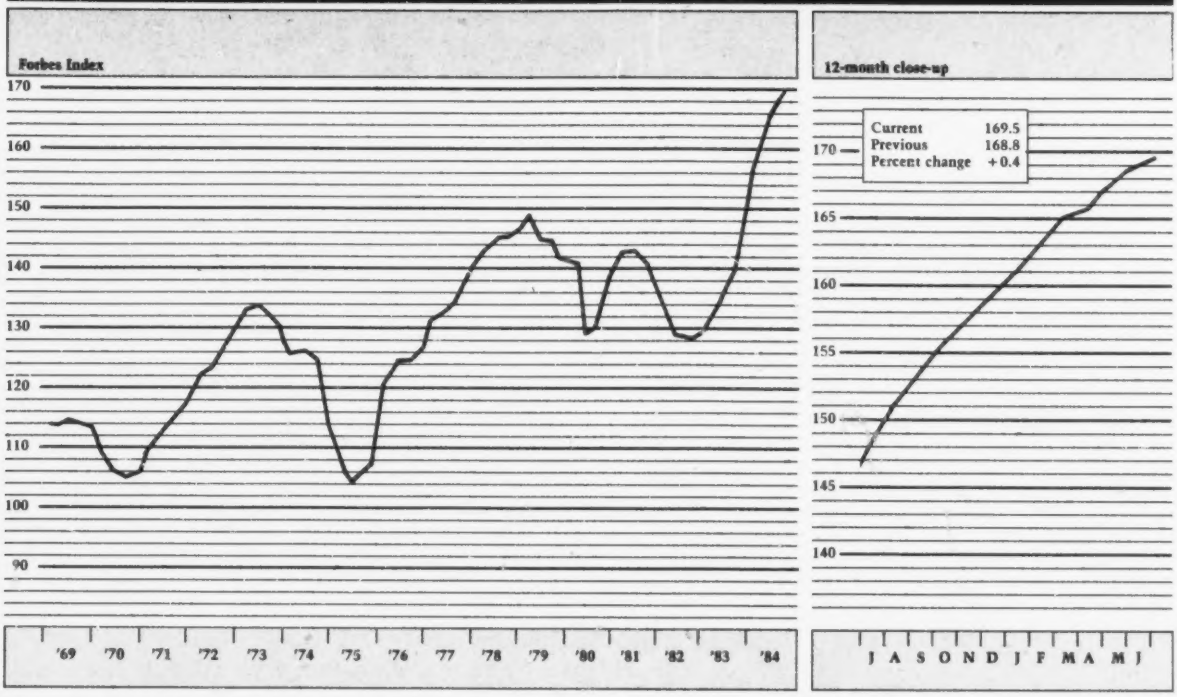
Cover illustration: Peter de Sève

The Forbes Index



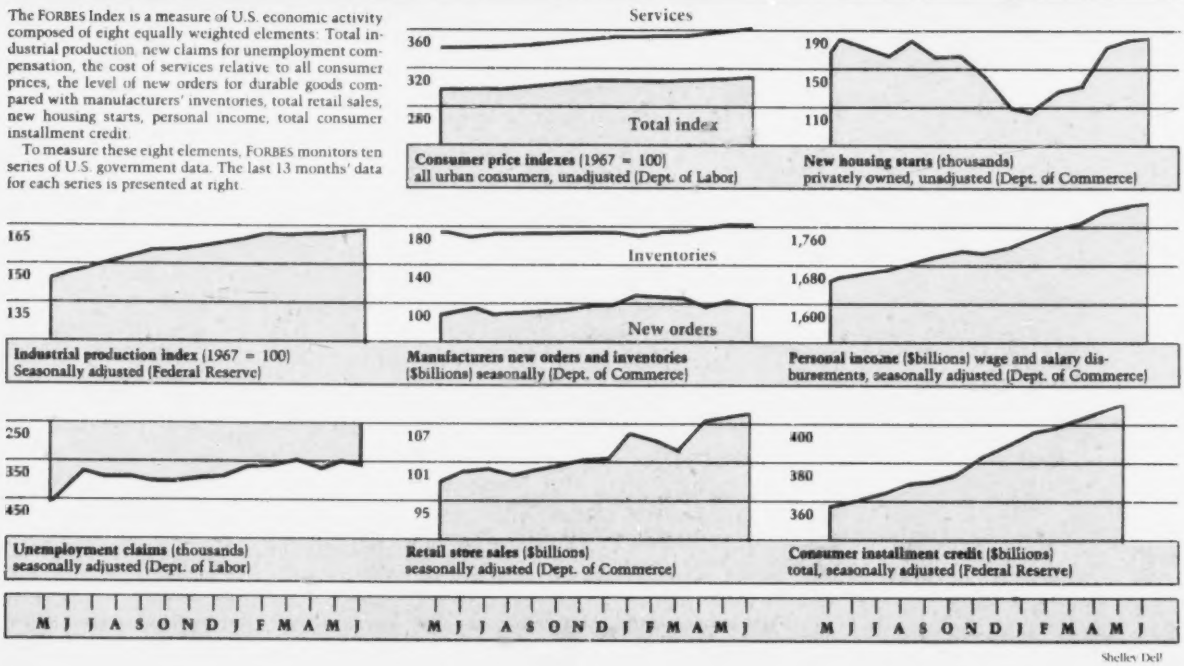
Close to the top? The Forbes Index, which has been on the rise since November 1982, gained only 0.4% in the latest reporting period. Recent increases have generally been smaller than they were earlier in the recovery. That pleases investors, who want the economy to continue to grow—but at a modest pace.

During the most recent period, two components pulled the Index down: Manufacturers' new orders fell 2.4% and inventories rose 0.9%. The overall Consumer Price Index, meanwhile, shows a modest 0.3% jump over the previous month. But with major labor contracts up for renegotiation, the CPI may soon start increasing at a faster clip. The services component of the CPI already shows an increase of nearly 0.6%—almost 6.7% on an annual basis.

The Forbes Index Components

The FORBES Index is a measure of U.S. economic activity composed of eight equally weighted elements: Total industrial production, new claims for unemployment compensation, the cost of services relative to all consumer prices, the level of new orders for durable goods compared with manufacturers' inventories, total retail sales, new housing starts, personal income, total consumer installment credit.

To measure these eight elements, FORBES monitors ten series of U.S. government data. The last 13 months' data for each series is presented at right.



Shelley Dell

The superstars of the 1982-83 bull market landed at the foot of the class a year later. Why? The fastest-rising stocks are inevitably the fastest-falling ones. If the latest rally produces a new crop of apparent winners, mutual fund buyers might do well to look back on that old lesson.

The fools rushed in . . . again

By Laura R. Walbert

THE SENSATIONAL first week of August gave mutual funds a much-needed boost. But not enough to erase the past year's dismal showing.

One of the big gainers was Fidelity Select Technology Portfolio, with a 14% rise in three days. Now look back a bit. This fund's investors had a wonderful ride between June 1982 and June 1983: Over this period every $1,000 they invested grew to $2,612, a return of 8.4% per month.

Unfortunately, there weren't many such investors. So few people invested in the fund during its first year (which began in July 1981) that running the $2 million portfolio was not even a full-time job for manager Michael Kassen.

But the fund's record attracted the public. New investors flocked to Fidelity Select Technology, and that $2 million in original money was soon overwhelmed by fresh cash after the bull market got under way in the summer of 1982. Kassen had his picture on the cover of *Money* magazine in April 1983 with an article billing him as "Select-Tech's wunderkind." Nearly $260 million came in between Mar. 31 and June 30, 1983.

Did Select Technology live up to the new investors' hopes? It did not. A $10,000 investment in Select Technology on June 30, 1983 was worth $7,170 late last month, compared with $9,400 if you had bought an S&P's 500 index fund.

It almost always happens that way. A tiny fund scorches the track, brings in big money and sends late investors into the tank. Investing exclusively in technology stocks—many of them small ones—Select Technology was a highflier during the earlier market boom. But investing in a fund after it has had a hot year is much like expecting to make money this year by buying the stocks that went up the most last year. It sounds foolish, but people do it all the time with mutual funds. Egged on by naive business writers, the public seems to have an insatiable appetite for yesterday's investment heroes.

From inception through June 1984, Select Technology can claim an attractive compound annual return of 27%. But this in no way represents what an average investor in the fund earned. In dollars, Select Technology's losses in the year beginning July 1, 1983 far exceeded all its gains in its preceding two years of existence. At-

Why the dunce cap? Didn't mutual funds surge with the market, which was up 8% the first three days of August? Yes, but it's easy to look good in a good market, difficult to maintain capital in a bad one—and that's where too many mutual funds have failed. For exceptions, see page 70.

Illustrations by Peter de Sève

tracted by the music and sounds of revelry, most investors got to the party just as the musicians were sheathing their instruments and the bartenders were stowing the last bottles.

Select Technology was by no means the biggest loser. We cite it because so many investors bought in at precisely the wrong time. Other funds, such as Hartwell Leverage, 44 Wall Street and Delta Trend, fared worse.

Nor were hot stock funds like these the only sufferers. They were only the hardest hit ones. No sector of equity funds was safe. International funds were up 2.5% for the 12 months ended June 30, but gave it all back in July. Whether a customer was in an aggressive fund (down 18.7% on average for the 12 months, according to Lipper Analytical Services) or a conservative fund offering income and growth (down 5.6%), he probably lost money. Among 286 equity funds rated by FORBES, only 37 were in the black for the 12-month period. The average equity fund was off 10.8%, compared with a return of −4.8%, dividends included, for the Standard & Poor's 500 average. In short, the typical equity fund did two times worse than the S&P's average. Only 1 in 3 beat the index in those 12 months.

During the last eight years the fraction of equity funds outperforming the S&P's 500 has fallen from a stellar 88% in the bear market beginning in October 1976 to less than 50% in the 1982-83 bull market and to an embarrassing 30% during the latest downswing. Is that what could be called earning one's keep as an investment manager?

Because they had outperformed the market for so long, the funds have prospered in recent years. It was not always so: In the early Seventies the funds, lagging the market, were in the doghouse, suffering net redemptions year after year.

Now most of them are lagging again. Why? Superstar Peter Lynch, with a superb seven-year record as portfolio manager of Fidelity Magellan Fund, Inc. and a crummy one-year record (off 12.8%), has an interesting alibi: The S&P's 500 has gotten harder to beat. He says its stocks are so undervalued that they have no downside risk, only upside potential. Says Lynch: "Merck is a big factor in the averages, and Merck is at the same price it was ten years ago. Earnings have doubled. Xerox has gone from $110 to $36. It can't go down another 80 points. Avon Products has gone

1984 Annual Mutual Fund Survey

The honor roll

Don't confuse the FORBES honor roll with your typical hot-fund-of-the-year "survey" available in other publications.

The bear market has reminded investors that buying a fund because it was the hot one last year or last month is a suicidal strategy. Here is the uncomfortable arithmetic of percentages: Add a plus 50% to a minus 50% and you get a lot less than zero. Example: Put $1,000 in a fund, watch it grow 50% to $1,500, then watch it shrink by 50% to $750. The net result is a 25% loss.

The example is exaggerated, since it took a thoroughly unlucky fund to lose 50% over the past year. But it makes the point that consistency of performance is just as important as getting high marks in good years.

The change in measuring periods—the addition of the recent bear market at the end, and the dropping of a bear market in the early 1970s—pushed some of last year's honor roll members off the list. "Maybe we should have moved into some lower-P/E stocks," says a sheepish James Stowers, manager of honor roll has-been Twentieth Century Select. That fund still rates an A+ for up markets but saw its down-market grade slip from B to C, which disqualified it from the honor roll.

One-third of the honorees are newcomers, but the list includes two vintage members: Templeton Growth and Mutual Shares. Each of these, in its own way, stands apart from the crowd. John Templeton runs his family of funds from the Bahamas, scouring the globe for cheap securities and ignoring the clamor of Wall Street analysts. Max Heine operates out of New York City but bypasses the popular growth and glamour stocks in search of securities of bankrupt companies and other special situations. His Mutual Shares is one of only 37 FORBES-graded stock funds to make money over the past year.

Note that both Heine and Templeton have been in charge for as long as their funds have made the list. That explains a remarkable consistency of performance on the part of their funds. Which is valuable to an investor betting that a first-class record will be repeated.

At the head of the class

These 25 funds excel in both up and down markets and have a compound annual return since Sept. 30, 1974 at least 3 points above that of the S&P's 500.

Name (years on honor roll)	Type	Market ratings UP	Market ratings DOWN	Annual return	Assets (mil)	Lead manager (years)
Acorn	no load	B	B	24.0%	$171.5	Ralph Wanger (14)
Amcap (6)	load	B	B	24.7	924.1	Fund has 3 managers
American Capital Comstock (4)	load	A	B	27.8	538.9	George Adler (1)
American Capital Convert Sec*	closed end	A+	A	23.3	67.4	Fund has 3 managers
American Capital Pace (3)	load	A	B	29.7	1,125.2	John Doney (5)
American Capital Venture (2)	load	A	B	30.8	371.2	Steve Hayward (1)
Baker, Fentress & Co	closed end	A	B	26.9	301.3	George H. Smith (14)‡
Central Securities	closed end	A+	B	27.7	89.7	Wilmot Kidd (11)
Claremont Capital	closed end	A	A	35.2	41.3	Erik Bergstrom (8)
Fidelity Destiny (2)	load	A	B	26.9	533.2	George Vanderheiden (4)
Fidelity Equity-Income	load	B	B	24.3	841.6	Bruce Johnstone (13)
Fidelity Magellan (3)	load	A+	B	34.7	1,613.7	Peter Lynch (7)
General American Investors (5)	closed end	B	B	22.3	223.2	Malcolm Smith (23)
Growth Fund of America (2)	load	B	A	22.2	434.6	Fund has 3 managers
Janus (3)	no load	B	B	19.7	281.7	Thomas Bailey (15)
The Japan Fund (7)	closed end	B	B	23.2	264.7	Timothy Schilt (1)†
Mutual Shares (9)	no load	B	A	25.4	370.3	Max Heine (9)‡
Nicholas (3)	no load	B	B	25.7	157.1	Albert Nicholas (15)
Over-The-Counter Securities (3)	load	B	B	23.5	77.8	Binkley Shorts (3)
Pennsylvania Mutual	no load	A	A	30.9	145.6	Charles Royce (11)
Phoenix Convertible Fund Series*	load	B	B	19.4	58.6	John Martin (3)
Pioneer II (3)	load	B	B	25.1	1,231.4	David Tripple (10)
Source Capital	closed end	B	A+	38.2	239.9	George Michaelis (6)
Templeton Growth (11)	load	B	B	20.9	842.9	John Templeton (30)
Windsor (6)	no load	B	A	22.8	1,887.3	John Neff (20)

*Balanced fund. †Founder of fund still acts as chairman. ‡Fund has two managers.

from $130 to $20." Maybe he's right. But then, if the bargains are in the S&P's, the best course is to buy an index fund and stay away from the hotshots and their bigger overheads.

Windsor Fund, Inc.'s John Neff offers a more plausible explanation for the funds' laggard performance: groupthink. He says: "Despite computers, modern portfolio theory and master's degrees ad infinitum, The Street still has an almost unlimited propensity to overdo something seemingly good." Neff points to the ridiculous levels that small technology stocks reached last year. You shouldn't need a complicated computer program or an M.B.A. from Stanford to realize that markets always go to extremes, but money managers seem frequently to forget that simple truth.

In this connection, William Ruane, chairman of New York City-based Sequoia Fund, Inc., tells of meeting an analyst from one of the multibillion-dollar fund houses who was not allowed to consider a stock for purchase unless its price was then climbing. Ruane, whose fund was one of the few that made money over the past year, says many mutual funds sacrifice long-term performance lunging after short-term gains. Small investors do this all the time, but highly paid fund managers are supposed to know better. Alas, they seldom do.

What should a bewildered investor do? He should avoid following the crowd, surging into the latest hot item. Instead he should search out funds that have proved themselves in bear markets as well as bull ones and forget about quickie profits. That's what FORBES' rating system is all about—consistency of performance. Consistent performers rarely top the three-month or six-month performance charts, but they limit losses in bear markets and do well, if not always spectacularly well, in bull markets. Does this sound unexciting? Maybe so, but it is one of the ways that fortunes are made and kept. The names appearing on the FORBES honor roll *(see p. 70)* are such funds. To use a racetrack metaphor, they may not always pull ahead in the stretch, but they can handle mud and have lots of stamina. Their managers truly earn their money.

In the pages following, FORBES talks with some of the honor roll fund managers about the past year, the early-August rally and how they are positioning themselves for the future.

Fund marketer rankings

Quality isn't the only path to increased mutual fund sales. Another strategy is to market a lot of different brands. But there is a drawback here: Offering a wide variety of funds usually means that a fund sponsor offers no consistent philosophy but a grab bag of market approaches; jacks of all trades, masters of none. This roster of distributors offering at least five funds shows how difficult it is to deliver both variety and consistency.

The composite grades are based on all of a marketer's funds rated by FORBES. (Money market and bond funds are not included.) The grade-point averages are disappointing, but most of these distributors allow fund-switching, and some have one or two excellent funds to choose from. The trouble here is that an investor must make selection and timing decisions as to which fund of a particular group to buy at any given time.

Marketer	Number of funds	Composite rating UP	DOWN
American Capital Marketing (713-526-8561)	7	A–	C–
American Funds Group (800-421-0180)	9	C	B–
Delfi Capital Sales (800-441-9490)	5	B–	D+
Eaton Vance Management (800-225-6265)	7	B–	C–
Fidelity Investments (800-225-6190)	7	B–	C–
Franklin Distributors (800-632-2350)	7	C+	C–
IDS Mutual Fund Group (800-437-4332)	6	C+	D+
Keystone Massachusetts Distributors (800-225-1587)	7	B–	F+
Massachusetts Financial Services (617-423-3500)	5	B–	D–
National Securities & Research Corp (800-223-7757)	6	B+	D
Oppenheimer Investor Services (800-525-7048)	6	B+	D
Putnam/Eberstadt Financial Services (800-225-2465)	11	C+	D+
Scudder Funds (800-225-2470)	5	C	D+
Vanguard Group of Investment Cos (800-523-7025)	9	B–	C–
Waddell & Reed (816-283-4000)	6	C+	D+

Pennsylvania Mutual: Dodging traffic

Paul Fetters

Charles Royce of Pennsylvania Mutual
Windshield wipers and shoe lasts.

A surprise on this year's honor roll is Pennsylvania Mutual Fund, Inc., with $146 million of assets concentrated in small-company stocks. Didn't they tumble furthest this past year? The NASDAQ over-the-counter stock index was off its bull market peak by 27% in June 1984. Yet Penn Mutual, one of only three funds to win a FORBES A rating or better in both markets, finished the 12 months off just 2.9%. Only one small-company fund beat it: Penn Mutual's fledgling sister fund, Royce Value.

Well, there are NASDAQ stocks, and there are NASDAQ stocks. You won't find MCI or Apple Computer or the other loss leaders of high technology in Penn Mutual's collection. Instead, there are companies that make windshield wipers, shoe lasts, warp knits, auto carpets and handbags.

Portfolio manager Charles Royce attributes his success to a disciplined focus on value. "Value-oriented," to be sure, is getting to be a bromide on Wall Street. But Royce, a 44-year-old former analyst who took over Penn Mutual in 1973, practices this art better than most. He looks for firms with hidden assets, high breakup values or accumulations of cash, especially if the cash is being used to buy in shares. And when looking, he says, he takes care to stay out of traffic. "By traffic I mean the high-growth or high-tech stocks where there is large institutional ownership. Hopefully, we won't get run over in the dark."

New York City-based Penn Mutual has stocks like Farmer Brothers, a coffee, spice and restaurant supply firm, and Kimball International, a producer of pianos, organs and office furniture. "These stocks tend to be out of the mainstream, underowned, not high-growth," says Royce. To put it mildly. Several of his companies aren't even public—they don't have enough shareholders to be required to file public financial data. With less attention on them, Penn Mutual can buy cheaply.

Royce is not a trader; portfolio turnover was 35% in 1983. Kimball, for instance, ranked as one of Royce's ten largest holdings in the latest bull and bear markets. From 1982 to mid-1983 the stock doubled. Then it remained flat—a feat in itself.

Such conservative tactics might be expected to cost shareholders performance on the upside. That's not what happened during the 1982-83 market, when shareholders' money grew an impressive 98% in 12 months. In the latest market flurry—when Royce was on vacation—his stocks, as he puts it, "were on vacation, too." Don't worry. It takes a while for the market to reach private companies.

Janus Fund: Timing

A money manager who knows how to sell at the top deserves to be richly rewarded, and Thomas Bailey, who runs the $282 million Janus Fund, Inc., has got himself an ample reward. Bailey, 47, cofounded the fund in 1969. He and his partner recently sold a two-thirds interest in Janus' advisory firm to Kansas City Southern Industries for $11 million. Bailey, who sold only half his holdings, kept the other third.

The timing is enviable. An advisory firm gets a percentage of assets under management, and so the firm's value is directly related to the fund's size. Thanks to a healthy inflow from new shareholders, Janus' assets grew fivefold in the 1982-83 bull market. Now the fund has flattened out, with 5% growth in assets since last fall.

It is no surprise that crowds weren't lined up to buy in. Although the Denver-based, aggressive growth fund is appearing for its third time on the FORBES honor roll, its down-market grade has been reduced from an A to a B. The fund is off 10.7% for the 12 months ended in June, 6 points worse than the S&P's 500.

What went wrong? For one thing, Bailey had big positions in Ford and Chrysler. Janus was also heavily into small technology issues like Adage, a computer graphics firm, and Xebec, a maker of disk-drive controllers. Beginning in June 1983 Bailey sold those, and others, but not fast enough.

Bailey kept 60% in cash from February through mid-July because he didn't trust the market. It was acting up, unmercifully punishing stocks for dips in earnings. Now he's pushing back into the market, but still plans to keep 25% of assets in cash.

"Chances are, if I stayed 100% invested all the time, I'd have all the wrong groups coming out of this any-

Rob Johns

Janus Fund's Thomas Bailey
Sell at the top.

way," Bailey says modestly. Now, he's putting his money on nondurable consumer goods, buying retailers, apparel makers and restaurant companies. If he times his reentry into the market as well as his sale of the fund management company, he will be earning his keep.

Acorn Fund: Stodgy buyout stocks

July 9 was a banner day for Ralph Wanger, portfolio manager of the Chicago-based Acorn Fund, Inc. On that day three companies represented among Acorn's $171 million in small-company stocks received takeover bids. "It was my personal high," jokes Wanger, 50, who has managed the fund since its inception in 1970.

First, a leveraged-buyout offer for glassmaker Guardian Industries sent the stock to 24, from 15. Then New Hampshire Ball Bearings got a cash bid for $65 a share, double the market price, from Japanese ball-bearing maker Minebea. Finally, Dallas financier Harold Simmons bid for shares in Baker, Fentress, a closed-end investment company with a stake in timber-rich Medford Corp. His initial offer was $40 a share, a $6 premium.

The acorns are supposed to grow into mighty oaks, but Wanger doesn't mind if they are gobbled up at good prices. Wanger has been particularly lucky with his broadcasting stocks this year, participating in the Wometco, Cowles Broadcasting and Outlet Co. buyouts, the last two after analysts hinted the managements might sell. Wanger, though, says he doesn't seek out takeover targets, just "stodgy" bargains

Bobbe Wolf

Acorn Fund's Ralph Wanger
A takeover hat trick.

All told, 15 acquisition bids so far this year helped keep Acorn alive while growth stocks were shrinking. The fund was off 9.4% for the 12 months ended in June, but as Wanger says of the competing small-stock funds that streamed past him in the bull market cycle, "They were passing me on the downside."

Of course, Wanger had some disasters himself, such as a new offering of Eagle Clothes. He broke even selling Coleco at 16. "But it was 65 in between," he laughs.

Wanger, unlike a lot of investors today, is less interested in companies that make technological gadgets than he is in finding companies that can profit from using them. Colonial Life & Accident, for example. "They're an insurance company, but their business exists because a computer solved their paperwork problem." Wanger's cost on the stock is 13½, and it was recently trading at 22½.

Wanger says he gets away from it all by skiing, "the best practice for a portfolio manager. You get used to having things go down fast." A reminder that the downside is as important to a manager as the upside.

Growth Fund of America: "Dentist's chair"

James Rothenberg, lead portfolio manager of Los Angeles-based Growth Fund of America, Inc., describes what the money management business was like early this year: "Like having to spend six months in the dentist's chair.

"In the Sixties we tended to have long, gradual uptrending markets and very abrupt, sharp corrections. This time we had a very sharp, abrupt upleg and a very long, drawn-out, dragging-on downleg. The percentage decline isn't much different, but it sure feels like you spend a lot more time looking at down days."

Rothenberg, 38, shares the helm of Growth Fund with Marjorie Fisher and William Newton at Capital Research & Management Co. Each of the three controls a piece of the $435 million fund. That way, shareholders never do as well as the best manager but never as poorly as the worst. Yet it's a rare money manager who didn't have some teeth pulled lately. For the 12 months ended in June, Growth Fund was off 10.9%.

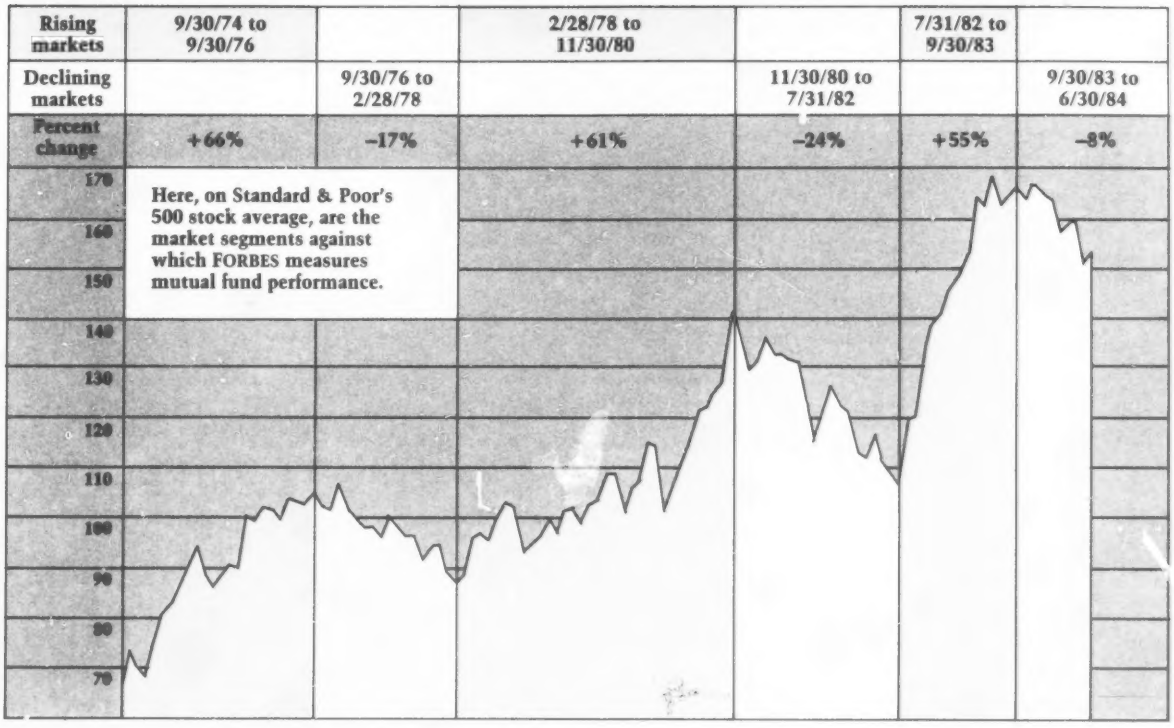
Growth Fund's managers didn't pay enough attention to the rising pool of venture capital, admits Rothenberg, who has been with the fund for five years. "That money made a lot of technology markets extremely competitive very quickly. In the early Seventies, if you got an idea financed, you'd have a fair run at the market before you'd see any kind of competition. Now it seems that you see competition almost immediately."

By the end of 1983 Growth Fund had moved 28% of its assets into bonds and cash. But the fund was fully invested again by June. "We were struck by the values in the $250 million to $750 million caps [market value of common stock], and even some of the larger market caps. National Semiconductor at $10 a share was an interesting value," he says. The stock recently traded at 14¼. The fund also holds Data General and Texas Instruments, up 21% and 15%, respectively, in the first three days of August. Rothenberg is using the rally to clean out past mistakes "because you sure can sell stuff right now."

Shareholders might like to know which of the three managers has had the most winners in his share of the portfolio, but the performance breakdown is kept secret. "That way, if somebody leaves, it is just a person leaving, not the star leaving," explains Rothenberg. And, of course, the fund can go on advertising its record as if nothing had happened. But if the past is any guide, the system of shared control isn't hurting investors at all.

Jim Mendenhall

Rothenberg, Newton and Fisher
Venture capital's backlash.



How FORBES grades the funds

This survey differs from the run-of-the-mill mutual fund survey in that it does not measure merely straight-line performance—how much a fund gained or lost over some arbitrary period. Instead, we rate funds separately on their performance in bear and bull markets. Why? Because we believe profoundly that an ability to preserve capital is at least as important in this uncertain world as an ability to enhance capital.

The data cover the major market moves since Sept. 30, 1974: three up-and-down cycles. To get two good grades, a fund must do well in both rising and falling markets.

Consistency, repeatability, long-term results—these are the essence of how to pick a money manager. Too many investors, unfortunately, don't look past the first line of a transcript. If the market was up sharply last year, they chase after the high-risk, fast-growth stock funds that landed at the top of the 12-month rankings. But those are the funds most likely to fall the fastest in a down market. If the market has been tumbling, they may run for the security of a conservative fund, at precisely the wrong time.

It is a rare portfolio manager who can deliver both the low risk and high returns that investors want. Only three stock funds earned A grades in both up and down markets, and the manager of one of those, Pennsylvania Mutual, is talking about closing it to new subscribers if it gets much bigger.

Choosing a mutual fund, then, means first choosing an acceptable level of risk. A retiree might want to confine his search to funds with an A for bear markets. A risk-tolerant swinger could accept poor performance in bear markets if the long-term total return is high and if he has the stamina to hang in during the bad spells.

The FORBES grading process begins with raw performance data compiled by Computer Directions Advisors, a Silver Spring, Md. money management consulting firm. These numbers are adjusted to eliminate the distorting effect of an exceptional performance (good or bad) during any one period. Then funds are ranked separately for the three bear markets and the three bull markets. Stock funds are ranked against stock funds, and mixed or balanced funds against other balanced funds.

For rising markets the 12.5% of funds with the best adjusted data are awarded an A+, the next 12.5% an A, the next 25% a B, the next quarter a C, the last quarter a D. Grading is tougher for declining markets, where the gamut is A to F. Both up-market and down-market grades can be lowered a notch (but not raised) on the basis of results in the most recent period.

As in previous mutual fund surveys, the average annual total return for the three market cycles assumes reinvestment of both income dividends and capital gain distributions. In this survey, for the first time, the income dividends are figured as well into the fund ratings and the latest 12 months' return.

The yield, or return from income dividends, is based on the June 30, 1984 net asset value and dividends over the previous 12 months. Both performance and yield for closed end funds are computed from the market price of the shares, not from net asset values.

Annual expenses are management fees and operating expenses expressed per $100 of average net assets.

A word of advice on getting copies of prospectuses: The toll-free 800 phone numbers printed in the tables generally don't work if you are calling from the same state. In that case the fund distributor will more than likely accept collect calls.

1984 Fund Ratings

Where to find the funds

Stock funds	76	Balanced funds	103
Bond funds	94	Foreign funds	104
Municipal bond funds	96	Exchange funds	106
Closed end funds	99	Money market funds	106

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	−4.8%	4.8%				
		FORBES stock fund composite	17.5%	−10.8%	3.0%				
		FORBES balanced fund composite	13.9%	−2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	−0.1%	12.6%				
		Stock funds (load)	Group averages: 17.2%	−11.5%	3.1%				
C	D	Affiliated Fund (212-425-8720)	17.0%	−1.4%	6.2%	$1,878.3	−7.2%	7.25%	$0.33
C	C	Alpha Fund (404-241-1662)	16.9	−13.0	2.2	20.5	−12.4	8.50	1.30
B	B	AMCAP Fund (800-421-0180)	24.7	−8.9	3.3	924.1	1.9	8.50	0.73
C	F	American Birthright Trust (800-327-4508)	10.4	−18.7	1.5	134.5	−24.1	8.50	1.22
A	B	American Capital Comstock Fund[1] (800-231-3638)	27.8	−2.3	3.7	538.9	37.3	8.50	0.62
A	F	American Capital Enterprise Fund (713-522-1111)	18.6	−16.0	3.3	492.3	−34.3	8.50	0.62
A	B	American Capital Pace Fund[2] (800-231-3638)	29.7	−4.1	2.2	1,125.2	4.9	8.50	0.63
A	B	American Capital Venture Fund[3] (800-231-3638)	30.8	−16.6	1.8	371.2	3.4	8.50	0.73
C	B	American Growth Fund (800-525-2406)	19.7	−5.2	4.6	58.5	10.8	8.50	1.35
D	C	American Leaders Fund (800-245-5051)	12.8	5.6	5.9	41.6	−12.1	6.50	1.37
C	B	American Mutual Fund (800-421-0180)	19.3	−2.1	4.9	873.9	9.6	8.50	0.49
B	C	American National Growth Fund (800-231-4639)	20.3	−27.1	2.1	85.3	−17.4	8.50	0.78
•C	B	American National Income Fund (800-231-4639)	—*	−1.5	6.3	42.0	12.9	8.50	0.81
B	F	Axe-Houghton Stock Fund (914-631-8135)	12.2	−31.5	4.2	96.9	−52.3	8.50	0.84
B	F	BLC Growth Fund (515-247-5711)	16.2	−12.3	2.2	16.4	−13.7	8.50	1.09
D	B	BLC Income Fund (515-247-5711)	17.3	1.6	5.8	22.2	2.3	8.50	1.02
C	D	Bullock Fund (800-221-5757)	14.9	−11.3	4.1	125.2	−22.0	8.50	0.86
B	C	The Cardinal Fund (800-848-7734)	19.7	−1.8	3.2	19.0	7.3	8.50	0.98
A	F	Centennial Growth Fund (800-525-7048)	13.4	−41.1	0.1	17.2	−42.7	8.50	1.63
D	F	Chemical Fund (800-221-5233)	11.4	−17.0	2.7	914.0	−28.3	8.50	0.55
B	F	CIGNA Growth Fund (800-225-5151)	15.3	−11.3	3.6	174.3	−12.5	7.50	0.66
C	F	Colonial Growth Shares (617-426-3750)	13.7	−11.6	3.7	61.2	−15.8	8.50	0.96
•C	•C	Colonial Option Income Trust (617-426-3750)	—*	−0.3	3.4	1,417.0	81.9	†	0.90
D	B	Commonwlth Fund Indent Plans A&B (800-343-2902)	13.7	−4.9	7.1	8.9	−14.4	7.50	0.29
D	C	Commonwlth Fund Indent Plan C (800-343-2902)	12.7	−5.9	6.2	33.0	−13.6	7.50	0.75
D	D	Corp Leaders Tr Fund Certificates Ser B (800-526-4791)	14.4	1.8	6.1	49.6	−7.3	†	0.11
D	F	Country Capital Growth Fund (800-322-3838)	12.4	−14.5	6.2	52.0	−15.0	7.50	1.07
C	B	Decatur Income Fund (800-523-4640)	18.1	2.3	5.5	573.2	17.7	8.50	0.67
C	C	Delaware Fund (800-523-4640)	18.1	−18.7	5.4	262.1	−26.0	8.50	0.73
B	C	Delta Trend Fund (215-988-1200)	20.2	−36.5	0.7	71.6	24.7	8.50	1.20
D	D	Dividend Shares (800-221-5757)	13.8	−3.1	4.0	252.5	−13.4	8.50	0.91
D	C	The Drexel Burnham Fund (212-483-1436)	15.2	−4.6	5.3	69.9	−9.3	3.50	1.11
C	C	The Dreyfus Fund (800-645-6561)	17.2	−3.2	6.6	1,686.7	−17.3	8.50	0.74
C	C	The Dreyfus Leverage Fund (212-895-1206)	17.9	−1.4	7.1	340.1	−12.6	8.50	0.91
C	F	Eagle Growth Shares (800-221-5588)	13.9	−18.5	4.0	5.0	−20.7	8.50	1.65
D	D	Eaton & Howard Stock Fund (617-482-8260)	12.2	−0.7	5.4	61.9	−14.5	7.25	0.85
C	C	Eaton Vance Growth Fund (617-482-8260)	16.1	−9.1	2.2	57.5	−31.0	8.50	0.86
B	C	Eaton Vance Special Equities (617-482-8260)	18.8	−13.6	0.3	41.8	−23.2	7.25	0.99
A+	F	Fairfield Fund (800-223-7757)	17.5	−32.9	0.5	45.2	−33.2	8.50	1.18
A	B	Fidelity Destiny Fund (800-225-6190)	26.9	−7.9	2.9	533.2	2.4	‡	0.80

•Fund rated for two periods only; maximum allowable rating A. *Fund not in operation for full period. †Fund not currently selling new shares. ‡Available only through contractual plans. [1]Formerly American General Comstock Fund [2]Formerly American General Pace Fund. [3]Formerly American General Venture Fund.

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months total return	Latest 12 months return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	−4.8%	4.8%				
		FORBES stock fund composite	17.5%	−10.8%	3.0%				
		FORBES balanced fund composite	13.9%	−2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	−0.1%	12.6%				
		Stock funds (load)	Group averages 17.2%	−11.5%	3.1%				
B	B	Fidelity Equity-Income Fund (800-225-6190)	24.3%	−2.3%	8.0%	$ 841.6	29.9%	2.00%	$0.80
A+	B	Fidelity Magellan Fund (800-225-6190)	34.7	−12.8	1.2	1,613.7	17.9	3.00	1.04
B	C	First Investors Discovery Fund (212-825-7900)	20.4	−31.0	0.6	40.5	47.3	8.50	1.21
B	F	First Investors Fund for Growth (212-825-7900)	15.6	−26.6	1.9	75.8	−30.1	8.50	0.95
D	F	First Investors Natural Resources Fund (212-825-7900)	8.1	−18.9	0.6	12.5	−11.4	8.50	1.24
D	B	First Investors Option Fund (212-825-7900)	11.3	−1.0	2.2	127.9	7.4	7.25	0.94
D	F	FPA Capital Fund[4] (800-237-0738)	10.2	−13.3	4.1	35.7	−19.2	8.00	0.92
C	A	FPA Paramount Fund[5] (800-421-4374)	21.0	2.3	4.2	108.2	51.3	8.50	1.09
A	D	Franklin Custodian Dynatech Ser (800-632-2350)	19.1	−17.7	1.2	39.4	−3.0	7.25	0.91
D	D	Franklin Custodian Growth Ser (800-632-2350)	12.3	−12.3	1.9	18.1	12.4	7.25	1.01
D	A	Franklin Custodian Utilities Ser (800-632-2350)	15.0	4.2	9.8	26.4	20.6	7.25	0.92
A+	C	Franklin Gold Fund[6] (800-632-2350)	17.6	−4.8	4.6	139.4	25.1	7.25	0.96
C	C	Franklin Option Fund (800-632-2350)	17.7	−3.8	0.2	6.4	−3.0	7.25	1.20
B	C	Fund of America (800-231-3638)	19.2	0.9	4.4	137.3	6.8	8.50	0.78
A	D	Fund of the Southwest (800-231-0808)	21.2	−24.4	0.6	7.2	−10.0	7.50	1.05
D	C	Fundamental Investors (800-421-0180)	14.6	−5.8	3.8	349.5	−17.0	8.50	0.64
•B	•F	The Greenway Fund (713-626-1919)	—*	−19.4	0.1	3.6	−28.0	6.50	1.83
B	A	Growth Fund of America (800-421-9900)	22.2	−10.9	3.3	434.6	6.6	8.50	0.68
C	C	The Guardian Park Avenue Fund (212-598-8259)	19.2	−3.7	3.0	51.4	2.2	8.50	0.71
C	F	Hamilton Funds (800-525-7048)	12.0	−19.4	4.2	190.3	−27.4	8.50	0.98
A	F	John Hancock Growth Fund (617-421-2909)	14.1	−12.6	1.7	52.2	4.8	8.00	1.06
A+	D	IDS Growth Fund (800-328-8300)	23.3	−30.1	0.1	608.8	−10.8	5.00	0.75
D	D	IDS Stock Fund[7] (800-328-8300)	13.8	−8.2	4.1	1,291.1	−18.1	5.00	0.60
C	D	IDS Variable Payment Fund[8] (800-328-8300)	13.9	−18.2	3.5	322.3	−26.4	5.00	0.59
A	D	IDS New Dimensions Fund (800-328-8300)	20.1	−18.0	1.4	337.0	−12.4	5.00	0.82
C	C	IDS Progressive Fund (800-328-8300)	18.1	−3.9	3.5	155.5	−0.3	5.00	1.00
D	A	Income Fund of America (800-421-9900)	15.4	2.1	8.5	267.9	−5.2	8.50	0.66
C	C	The Investment Co of America (800-421-9900)	17.4	−4.4	4.2	2,189.4	−7.2	8.50	0.44
C	F	Investment Trust of Boston (617-542-0213)	12.5	−17.3	2.8	51.8	−25.3	7.25	0.92
A	D	Investors Research Fund (800-328-8300)	17.8	−22.4	none	36.3	−10.6	8.50	0.86
D	A	ISI Growth Fund (415-832-1400)	11.3	−0.8	7.4	13.3	−9.5	8.50	1.32
D	A	ISI Income Fund (415-832-1400)	9.1	1.0	10.1	6.9	−16.9	8.50	1.52
D	A	ISI Trust Fund (415-832-1400)	8.5	7.5	8.8	103.0	−3.7	8.50	1.06
D	C	JP Growth Fund (919-378-2448)	16.2	−7.2	4.7	17.3	−6.5	8.00	0.84
A+	F	Kemper Growth Fund (800-621-1048)	20.7	−12.4	2.2	215.1	−15.7	8.50	0.69
•C	•B	Kemper Option Income Fund (800-621-1048)	—*	1.4	4.0	192.6	101.7	8.50	0.82
A+	C	Kemper Summit Fund (800-621-1048)	24.6	−17.0	1.6	150.0	7.9	8.50	0.47
•A	•D	Lord Abbett Develop Growth (212-425-8720)	—*	−28.4	0.7	300.4	−11.6	8.50	0.73
D	C	MagnaCap Fund (800-526-0475)	16.5	4.5	5.3	7.3	−22.3	7.25	1.50
A+	D	Mass Capital Development Fund (800-343-2829)	23.7	−18.5	2.2	577.8	2.3	7.25	0.67
B	D	Mass Finl Development Fund (800-343-2829)	17.7	−20.0	2.9	181.9	−19.3	7.25	0.82
C	F	Mass Investors Growth Stock (800-343-2829)	14.2	−15.8	2.9	796.4	−25.8	7.25	0.56
C	F	Massachusetts Investors Trust (800-343-2829)	13.5	−7.7	4.5	985.3	−17.8	7.25	0.53
•B	•C	Merrill Lynch Basic Value Fund (800-631-0749)	—*	−0.5	4.7	269.3	14.6	6.50	0.89

•Fund rated for two periods only; maximum allowable rating A. *Fund not in operation for full period. [4]Formerly Transamerica Capital Fund. [5]Formerly Paramount Mutual Fund. [6]Formerly Research Capital Fund. [7]Formerly Investors Stock Fund. [8]Formerly Investors Variable Payment Fund.

1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	-4.8%	4.8%				
		FORBES stock fund composite	17.5%	-10.8%	3.0%				
		FORBES balanced fund composite	13.9%	-2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	-0.1%	12.6%				
		Stock funds (load)	Group averages: 17.2%	-11.5%	3.1%				
D	C	Merrill Lynch Capital Fund (800-631-0749)	13.2%	-2.6%	3.8%	$ 260.8	6.1%	6.50%	$0.75
D	C	MidAmerica High Growth Fund (319-398-8511)	14.7	-13.7	2.5	12.2	-19.7	8.50	1.00
D	B	MidAmerica Mutual Fund (319-398-8511)	14.5	-9.0	4.7	27.6	-18.1	8.50	0.88
D	D	Mutual Benefit Fund (401-751-8600)	11.9	-7.7	4.9	9.3	-12.3	8.50	1.50
D	F	Mutual of Omaha Growth Fund (402-397-8555)	9.8	-16.0	5.3	18.7	-12.2	8.00	1.25
C	F	National Aviation & Technology (212-482-8100)	10.2	-22.6	2.9	75.4	-30.0	8.50	1.17
C	F	National Growth Fund (800-223-7757)	11.1	-30.0	1.5	68.9	-37.7	7.25	0.90
C	C	National Stock Fund (800-223-7757)	15.9	-6.2	6.5	202.4	-16.7	7.25	0.89
D	C	Nationwide Fund (800-848-0920)	12.3	-2.8	5.7	218.6	-8.6	7.50	0.66
C	C	Nationwide Growth Fund (800-848-0920)	17.7	-1.0	1.6	56.7	19.9	7.50	0.72
D	B	NEL Equity Fund (617-267-6600)	15.8	-5.1	4.5	15.9	1.9	8.00	1.03
B	D	NEL Growth Fund (617-267-6600)	21.9	-22.3	0.6	164.6	-4.8	8.00	0.76
D	C	NEL Retirement Equity Fund (617-267-6600)	15.7	-8.8	2.9	61.8	-13.2	8.00	0.75
C	C	New Perspective Fund (800-421-9900)	18.2	-2.5	3.5	578.9	2.0	8.50	0.77
B	D	New York Venture Fund (505-983-4335)	19.5	-6.6	2.5	85.3	-10.2	8.50	1.05
D	C	Old Dominion Investors' Trust (804-539-2396)	16.1	-3.4	8.4	3.9	-9.3	0.99	1.40
A+	F	Oppenheimer AIM Fund (800-525-7048)	18.6	-20.6	0.7	227.2	-30.2	8.50	1.00
B	C	Oppenheimer Equity Income Fund (800-525-7048)	21.1	-9.8	6.6	66.4	3.8	8.50	1.04
B	F	Oppenheimer Fund (800-525-7048)	12.4	-24.4	2.0	234.9	-33.1	8.50	1.29
•C	•A	Oppenheimer Premium Income Fund[9] (800-525-7048)	—*	6.0	1.5	98.2	49.9	8.50	1.02
A	F	Oppenheimer Special Fund (800-525-7048)	20.2	-11.2	2.7	644.1	13.1	8.50	1.05
A+	D	Oppenheimer Time Fund (800-525-7048)	24.2	-22.7	1.1	159.8	-16.3	8.50	1.04
B	B	Over-The-Counter Securities Fund (800-523-2578)	23.5	-10.1	1.2	77.8	7.3	8.00	1.30
C	D	Philadelphia Fund (800-221-5588)	18.7	-10.2	4.1	101.0	-16.9	8.50	0.89
C	C	Pilgrim Fund (800-526-0475)	16.5	-4.4	4.9	35.7	-23.7	7.25	1.36
B	D	Pilot Fund (713-751-2400)	16.0	-22.0	1.2	62.4	-26.8	8.50	0.98
B	D	Pioneer Fund (800-225-6292)	17.6	-8.9	4.3	1,195.1	-11.1	8.50	0.65
B	B	Pioneer II (800-225-6292)	25.1	-9.3	3.9	1,231.4	21.8	8.50	0.68
C	C	The Putnam Growth Fund (800-225-1581)	17.3	-3.9	4.8	722.5	-11.5	8.50	0.62
C	F	Putnam Investors Fund (800-225-1581)	14.9	-16.3	2.2	926.9	-13.6	8.50	0.50
•C	•C	Putnam Option Income Trust (800-225-1581)	—*	-9.1	3.7	476.3	198.8	8.50	0.96
B	C	Putnam Vista Fund (800-225-1581)	19.8	-21.3	4.8	137.9	-13.3	8.50	0.99
A	D	Putnam Voyager Fund (800-225-1581)	21.0	-23.6	0.6	196.9	-12.0	8.50	1.06
C	D	Research Equity Fund (800-632-2350)	14.1	-4.9	2.1	55.5	-18.5	7.25	1.02
B	D	St Paul Capital Fund (612-738-4000)	17.7	-16.8	3.8	61.6	-19.0	6.00	0.88
A	D	St Paul Growth Fund (612-738-4000)	22.6	-21.6	2.0	75.6	-6.0	6.00	0.87
A	F	Security Equity Fund (800-255-3557)	17.9	-22.3	3.9	217.5	-27.0	8.50	0.70
C	C	Security Investment Fund (800-255-3557)	16.9	-16.8	6.6	102.9	-25.1	8.50	0.74
A	F	Security Ultra Fund (800-255-3557)	25.4	-19.1	1.9	73.4	-29.4	8.50	1.20
A+	D	Seligman Capital Fund (800-221-2450)	22.5	-29.3	none	125.2	-12.0	8.50	0.86
C	D	Seligman Common Stock Fund (800-221-2450)	16.6	-8.7	5.5	358.1	-17.9	7.25	0.52
B	F	Seligman Growth Fund (800-221-2450)	14.3	-20.8	2.4	560.5	-31.5	7.25	0.51
D	B	Sentinel Common Stock Fund (802-229-3154)	16.2	2.6	5.4	311.2	-5.7	8.50	0.71
B	F	Sentinel Growth Fund (802-229-3154)	14.3	-21.7	2.1	36.1	-21.0	8.50	0.85

•Fund rated for two periods only; maximum allowable rating A. *Fund not in operation for full period. [9]Formerly Oppenheimer Option Income Fund.

1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%				
		FORBES stock fund composite	17.5%	–10.8%	3.0%				
		FORBES balanced fund composite	13.9%	–2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%				
		Stock funds (load)	Group averages 17.2%	–11.5%	3.1%				
C	D	Sentry Fund (715-346-7051)	14.3%	–20.8%	2.4%	$ 27.6	–19.5%	8.00%	$0.72
B	C	The Shearson Appreciation Fund (212-577-5794)	18.3	–6.4	1.5	112.3	12.6	5.00	1.10
B	C	Sigma Capital Shares (800-441-9490)	22.1	–7.7	1.6	36.0	–3.2	8.50	1.17
C	C	Sigma Investment Shares (800-441-9490)	16.0	–1.1	4.5	51.8	–6.7	8.50	1.09
B	D	Sigma Special Fund (800-441-9490)	17.7	–12.1	2.2	14.8	–10.3	8.50	1.34
A+	D	Sigma Venture Shares (800-441-9490)	26.1	–23.5	1.0	46.9	–19.8	8.50	1.04
D	A	Smith, Barney Income & Growth (212-613-2631)	18.9	–2.1	8.0	8.5	51.8	5.75	1.50
D	B	Sovereign Investors (215-251-0705)	16.3	3.3	5.8	13.6	11.5	5.00	1.00
D	F	State Bond Common Stock Fund (507-354-2144)	10.8	–19.5	2.5	27.3	–25.8	8.50	1.11
D	D	State Bond Diversified Fund (507-354-2144)	13.4	–2.2	5.7	9.7	1.0	8.50	0.93
C	F	State Bond Progress Fund (507-354-2144)	13.6	–27.9	1.6	6.7	–18.3	8.50	1.18
B	D	State Street Investment Corp (617-482-3920)	16.2	–10.5	3.5	434.9	–20.7	†	4.97
B	F	Surveyor Fund (800-221-5233)	15.6	–22.8	0.8	85.8	–32.1	8.50	1.18
A	F	Technology Fund (800-621-1048)	18.0	–14.5	2.3	558.9	–21.8	8.50	0.57
F	B	Templeton Growth Fund (800-237-0738)	20.9	–0.7	2.1	842.9	1.3	8.50	0.78
•B	•C	Templeton World Fund (800-237-0738)	—•	1.3	3.1	1,485.0	21.1	8.50	0.78
C	D	United Accumulative Fund (816-283-4000)	16.8	–6.7	5.2	456.9	–12.7	8.50	0.57
D	C	United Income Fund (816-283-4000)	14.2	–3.8	5.5	480.5	–13.3	8.50	0.61
D	C	United International Growth Fund (816-283-4000)	16.7	–1.3	3.5	96.2	21.2	8.50	1.11
B	F	United Science & Energy Fund (816-283-4000)	15.0	–8.3	3.8	162.0	–18.4	8.50	0.68
A	C	United Vanguard Fund (816-283-4000)	23.3	–16.0	3.9	325.4	22.0	8.50	0.86
B	C	Vance, Sanders Special Fund (617-482-8260)	22.2	–13.1	1.2	109.8	–20.8	8.50	0.88
D	F	The Wall Street Fund (212-319-9400)	11.4	–19.2	0.7	5.6	–25.3	8.50	2.50
C	B	Washington Mutual Investors Fund (800-421-9900)	18.2	–1.8	5.5	526.2	–1.9	8.50	0.56
		Not rated**							
		ABT Emerging Growth Fund (800-327-4508)	—•	–20.6%	none	$ 5.7	235.3%	8.50%	$1.43
		ABT Security Income[10] (800-327-4508)	—•	–2.2	2.5%	21.5	465.8	8.50	1.43
		Aggressive Growth Shares (800-221-5757)	—•	–37.5	none	7.2	–38.5	8.50	1.26
		Alliance Technology Fund (800-221-5672)	—•	–31.0	0.1	142.3	–26.0	8.50	1.65
		American Capital OTC Securities (800-231-3638)	—•	—	—•	65.1	—	8.50	1.40
		Carnegie-Cappiello Growth Trust (800-321-2322)	—•	—	—•	16.5	—	6.00	NA
		Colonial Corporate Cash Trust (800-225-2365)	—•	5.9	9.6	324.9	17.7	2.50	0.80
		Colonial Option Growth Trust (800-225-2365)	—•	–9.5	2.9	6.2	10.7	8.50	1.50
		Colonial Tax-Managed Trust (617-426-3750)	—•	4.5	none	451.7	20.3	8.50	0.96
		Eaton Vance Tax-Managed Trust (617-482-8260)	—•	3.4	none	551.6	–0.2	8.50	0.87
		Eberstadt Energy-Resources Fund (800-221-5233)	—•	–1.6	2.1	42.2	–3.2	8.50	1.45
		Fidelity Mercury Fund (800-225-6190)	—•	–18.9	0.3	109.9	–7.1	3.00	1.24
		Fidelity Select-Energy Portfolio (800-225-6190)	—•	–0.6	1.3	65.2	–7.5	2.00	1.25
		Fidelity Select-Fin Svcs Portfolio (800-225-6190)	—•	–0.1	0.6	12.5	4.2	2.00	1.51
		Fidelity Select-Health Care Port (800-225-6190)	—•	–25.6	0.4	64.8	–54.1	2.00	1.21
		Fidelity Select-Precious Metals & Min (800-225-6190)	—•	–9.9	1.4	178.9	65.0	2.00	1.16
		Fidelity Select-Tech Portfolio (800-225-6190)	—•	–24.7	none	463.5	–30.9	2.00	1.04
		Fidelity Select-Util Portfolio (800-225-6190)	—•	10.2	1.6	17.3	68.0	2.00	1.51

•Fund not in operation for full period. **Funds appear in this issue when they have net assets of $5 million or more and are deleted when net assets fall below $2 million. To earn a FORBES rating, a fund must have operated with the same investment policy during the two most recent stock market cycles. [10]Formerly ABT Arbitrage Fund. NA: Not available.

1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%				
		FORBES stock fund composite	17.5%	–10.8%	3.0%				
		FORBES balanced fund composite	13.9%	–2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%				
		Stock funds (load)	Group averages: 17.2%	–11.5%	3.1%				
		Not rated**							
		Fidelity Special Situations Fund (800-225-6190)	—*	—	—*	$ 7.2	—	3.00%	$1.50
		First Investors Ninety Ten Fund (212-825-7900)	—*	4.3%	5.1%	50.5	NM	8.50	1.28
		The 44 Wall Street Equity Fund (800-221-7836)	—*	–43.1	none	12.4	–59.7%	8.50	1.73
		FPA Perennial Fund (800-421-4384)	—*	—	—*	5.7	—	8.50	NA
		IDS Discovery Fund (800-328-8300)	—*	–28.9	1.4	290.1	–14.6	5.00	1.00
		IRI Stock Fund (800-328-1010)	—*	–13.6	1.2	9.2	3.4	4.50	1.50
		Lord Abbett Value Appreciation (212-425-8720)	—*	–12.7	2.8	309.2	–17.1	8.50	0.78
		The Lowry Market Timing (800-231-4645)	—*	—	—*	56.6	—	8.50	NA
		Mass Finl Emerging Growth Tr (800-343-2829)	—*	–21.6	1.6	156.6	22.6	7.25	1.26
		Massachusetts Financial Special (800-343-2829)	—*	–17.5	1.7	79.4	744.7	7.25	1.26
		Merrill Lynch Special Value Fund (212-692-2939)	—*	–18.8	0.7	84.4	–18.6	6.50	1.16
		National Telecommns & Tech Fund (212-482-8100)	—*	–20.1	4.1	96.2	–31.4	8.50	1.16
		New Economy Fund (800-421-9900)	—*	—	—*	348.0	—	8.50	0.69
		Oppenheimer Challenger Fund (303-671-3464)	—*	—	—*	20.2	—	2.00	4.76
		Oppenheimer Directors Fund (212-668-5000)	—*	–34.0	none	244.3	–8.5	8.50	1.11
		Oppenheimer Regency Fund (800-525-7048)	—*	–23.2	none	97.9	159.7	8.50	1.17
		Oppenheimer Target Fund (800-525-7048)	—*	–25.9	0.7	150.3	–28.8	6.00	1.04
		Phoenix Growth Fund Series (800-243-1574)	—*	0.7	4.0	68.7	7.5	8.50	0.84
		Phoenix Stock Fund Series (800-243-1574)	—*	–4.2	3.7	46.8	2.2	8.50	1.02
		Pioneer Three (800-225-6292)	—*	0.2	1.9	202.3	116.4	8.50	0.84
		Prudential-Bache Equity Fund (800-528-6166)	—*	–2.8	1.1	42.4	218.8	6.75	1.49
		Pru-Bache New Decade Growth[11] (800-528-6166)	—*	–20.8	none	59.8	–15.1	6.75	1.31
		Prudential-Bache Option Growth Fund (800-528-6166)	—*	–13.9	2.4	59.5	–36.7	6.75	1.21
		Pru-Bache Tax-Managed Utility[12] (800-528-6166)	—*	7.0	none	122.2	–30.7	†	1.04
		Putnam Capital Fund (800-343-0929)	—*	–13.8	12.0	11.1	–47.1	†	1.18
		Putnam Health Sciences Trust (800-225-1581)	—*	–27.9	2.2	245.4	–38.4	8.50	0.91
		Putnam Information Sciences Trust (800-225-1581)	—*	—	—*	198.0	—	8.50	NA
		Rochester Tax Managed Fund (716-232-6930)	—*	–1.4	none	17.6	151.4	8.50	1.88
		Sci/Tech Holdings (212-692-2939)	—*	–7.7	1.6	472.3	–21.9	8.50	1.27
		Seligman Communications & Info Fd (800-221-2450)	—*	—	—*	45.5	—	8.50	NA
		Shearson Aggressive Growth Fund (212-623-8000)	—*	—	—*	121.1	—	5.00	NA
		Shearson Fundamental Value[13] (509-455-6088)	—*	–6.8	1.9	37.0	94.7	5.00	1.80
		Strategic Capital Gains (800-527-5027)	—*	–15.3	0.0	11.2	36.6	8.50	0.01
		Strategic Investments Fund (800-527-5027)	—*	–10.3	6.4	173.9	26.9	8.50	1.13
		Summit Investors Fund (800-231-0803)	—*	–22.7	none	6.7	644.4	‡	2.51
		Sunbelt Growth Fund (713-751-2400)	—*	–20.9	0.6	155.7	–19.4	8.50	1.24
		Tax-Managed Fund for Util Shares (800-327-4508)	—*	–11.6	none	107.8	–31.0	8.50	1.12
		Templeton Global I (800-237-0738)	—*	–4.0	2.8	221.1	–9.0	†	1.09
		Templeton Global II (800-237-0738)	—*	—	—*	144.4	—	8.50	NA
		United New Concepts Fund (816-283-4000)	—*	–7.1	3.2	29.0	346.2	8.50	1.35
		World of Technology (800-525-2974)	—*	–22.5	0.1	11.6	110.9	5.00	1.50

*Fund not in operation for full period. **Funds appear in this issue when they have net assets of $5 million or more and are deleted when net assets fall below $2 million. To earn a FORBES rating, a fund must have operated with the same investment policy during the two most recent stock market cycles. †Fund not currently selling new shares. ‡Available only through contractual plans. [11]Formerly Chancellor New Decade Growth Fund. [12]Formerly Chancellor Tax-Managed Utility Fund. [13]Formerly Foster & Marshall Growth Fund. NA: Not available. NM: Not meaningful.

1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-83	Latest 12 months total return	Latest 12 months return from income dividends	Total assets 6/30/84 (millions)	Total assets % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	**14.9%**	**–4.8%**	**4.8%**				
		FORBES stock fund composite	**17.5%**	**–10.8%**	**3.0%**				
		FORBES balanced fund composite	**13.9%**	**–2.1%**	**8.3%**				
		FORBES bond and preferred stock fund composite	**10.2%**	**–0.1%**	**12.6%**				
		Stock funds (no load)	Group averages 17.4%	–12.9%	3.0%				
B	B	**Acorn Fund (312-621-0630)**	24.0%	–9.4%	2.0%	$171.5	–4.5%	none	$0.85
A	D	**ADV Fund (212-908-9582)**	22.4	–15.9	1.9	31.5	4.7	none	1.32
C	C	**Afuture Fund (800-523-7594)**	19.3	–31.1	0.8	26.2	–45.3	none	1.50
B	F	**American Investors Fund (800-243-5353)**	12.1	–38.4	3.2	93.4	–42.1	none	1.14
B	D	**Armstrong Associates (214-744-5558)**	20.8	–23.6	4.1	9.7	–24.8	none	1.60
D	F	**Babson Growth Fund[14] (800-821-5591)**	10.9	–11.0	3.5	208.3	–16.5	none	0.61
D	C	**Beacon Hill Mutual Fund (617-482-0795)**	11.3	–6.1	none	2.3	–11.5	none	3.40
D	D	**Boston Co Capital Apprec Fund (800-343-6324)**	13.5	–5.4	2.6	213.5	–13.6	none	0.98
D	D	**Boston Mutual Fund (617-828-7000)**	12.4	–8.2	2.6	4.6	–9.8	none	1.44
B	D	**Bull & Bear Capital Growth Fund (800-431-6060)**	19.2	–17.9	0.8	50.6	–52.2	none	1.23
D	B	**Bull & Bear Equity-Income Fund (800-431-6060)**	14.1	–3.1	6.4	4.3	–15.7	none	2.03
D	B	**Century Shares Trust (617-523-6844)**	15.8	–1.8	5.4	65.5	–12.3	none	0.94
C	C	**Charter Fund (214-980-1800)**	21.4	–16.6	3.0	70.9	–7.3	none	1.10
B	D	**Columbia Growth Fund (800-547-1037)**	20.5	–18.0	1.0	128.0	–13.7	none	1.10
D	D	**Composite Fund (800-541-0830)**	13.8	–13.2	4.7	36.5	–9.4	none	1.02
A+	F	**The Constellation Growth Fund (212-557-8787)**	20.9	–34.9	none	90.0	–41.9	none	1.30
C	F	**de Vegh Mutual Fund (800-221-5672)**	12.7	–20.2	1.7	51.4	–27.7	none	1.11
C	D	**Dodge & Cox Stock Fund (415-981-1710)**	16.4	–2.1	4.5	[illegible].8	–3.0	none	0.70
A	D	**Dreyfus Growth Opportunity Fund (800-645-6561)**	19.5	–11.0	1.8	372.9	4.1	none	0.99
B	D	**The Dreyfus Third Century Fund (800-645-6561)**	20.4	–11.2	3.9	118.1	–21.6	none	1.03
D	B	**Energy & Utility Shares (215-542-8025)**	13.3	–0.2	10.4	8.6	–4.4	none	1.74
C	D	**Energy Fund (212-850-8300)**	17.8	–0.4	5.7	347.8	–5.3	none	0.83
A+	C	**The Evergreen Fund (914-698-5711)**	31.4	–11.7	1.9	215.6	3.4	none	1.11
A	C	**Explorer Fund (800-523-7025)**	21.5	–26.0	2.1	237.3	–12.1	none	0.88
D	D	**Farm Bureau Growth Fund (800-247-4170)**	12.7	–11.2	5.8	42.1	–12.8	none	0.94
B	D	**Fidelity Contrafund (800-225-6190)**	16.5	–17.6	4.9	72.1	–17.0	none	1.00
C	D	**Fidelity Fund (800-225-6190)**	16.5	–10.2	5.7	558.2	–19.9	none	0.71
D	A	**Fidelity Puritan Fund (800-225-6190)**	17.3	2.6	8.8	781.3	–4.5	none	0.63
C	F	**Fidelity Trend Fund (800-225-6190)**	14.5	–9.8	2.3	548.4	–19.2	none	0.66
C	C	**Financial Dynamics Fund (800-525-9831)**	18.5	–24.1	2.3	66.2	–34.7	none	0.66
B	C	**Financial Industrial Fund (800-525-9831)**	17.6	–17.1	3.7	303.1	–23.4	none	0.63
C	B	**Financial Industrial Income Fund (800-525-9831)**	18.5	–2.0	7.4	182.6	–18.0	none	0.64
A+	D	**The 44 Wall Street Fund (800-221-7836)**	22.0	–54.7	none	82.0	–67.0	none	1.61
B	F	**Founders Growth Fund (800-525-2440)**	15.2	–20.8	2.5	37.6	–28.5	none	1.24
D	A	**Founders Income Fund (800-525-2440)**	14.1	4.0	6.0	6.9	3.0	none	1.50
C	F	**Founders Mutual Fund (800-525-2440)**	12.4	–6.2	4.4	127.7	–11.9	none	0.42
A	D	**Founders Special Fund (800-525-2440)**	15.2	–28.6	8.0	74.1	–26.1	none	1.20
•C	•C	**Gateway Option Income Fund (513-621-7774)**	—*	–1.6	3.2	23.3	26.6	none	1.41
B	D	**General Securities (612-332-1212)**	17.4	–10.1	5.5	11.5	–14.2	none	1.50
B	D	**Growth Industry Shares (312-346-4830)**	18.4	–17.4	2.0	59.4	–15.4	none	0.87
B	C	**Guardian Mutual Fund (800-367-0770)**	19.8	–5.8	4.4	300.8	–2.1	none	0.67
A+	F	**Hartwell Growth Fund (800-645-6405)**	22.3	–24.3	none	11.0	–24.1	none	2.60
A+	F	**Hartwell Leverage Fund (800-645-6405)**	22.5	–44.9	none	38.6	–46.3	none	1.40
C	F	**Istel Fund (212-702-0174)**	12.5	–9.6	4.9	92.8	–23.7	none	1.02
B	D	**Ivest Fund (800-523-7025)**	17.0	–4.8	2.2	168.9	–14.2	none	1.07

•Fund rated for two periods only, maximum allowable rating A. *Fund not in operation for full period. [14]Formerly David L. Babson Investment Fund.

1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment rewards: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	**14.9%**	**–4.8%**	**4.8%**				
		FORBES stock fund composite	**17.5%**	**–10.8%**	**3.0%**				
		FORBES balanced fund composite	**13.9%**	**–2.1%**	**8.3%**				
		FORBES bond and preferred stock fund composite	**10.2%**	**–0.1%**	**12.6%**				
		Stock funds (no load)	Group averages: 17.4%	–12.0%	3.8%				
C	C	**Ivy Growth Fund[15] (617-749-1416)**	17.1%	1.0%	6.4%	$ 58.0	–43.9%	none	$1.22
B	B	**Janus Fund (800-225-2618)**	19.7	–10.7	7.2	281.7	15.8	none	1.07
C	F	**Keystone Custodian Funds K-2 (800-225-2618)**	12.9	–16.5	3.4	163.2	1.8	none	0.90
D	F	**Keystone Custodian Funds S-1 (800-225-2618)**	10.4	–14.8	3.5	67.3	–9.1	none	0.89
A	F	**Keystone Custodian Funds S-3 (800-225-2618)**	17.6	–15.3	2.5	141.3	–9.3	none	0.80
A	F	**Keystone Custodian Funds S-4 (617-225-2618)**	19.4	–33.3	0.4	477.4	–33.7	none	0.75
•A	•B	**Lehman Capital Fund (800-221-5350)**	—*	–7.6	2.0	105.3	–7.2	none	1.13
C	D	**Lehman Investors Fund[16] (800-221-5350)**	16.3	–3.1	3.7	335.0	–14.9	none	0.61
B	D	**Lexington Growth Fund (800-526-4791)**	17.5	–31.1	4.1	18.8	–61.6	none	1.21
C	D	**Lexington Research Fund (800-526-4791)**	15.5	–13.8	5.6	92.7	–29.7	none	0.95
•C	A+	**Lindner Fund (314-727-5305)**	—*	5.4	4.7	339.8	25.5	†	0.78
B	D	**Loomis-Sayles Capital Development (800-223-7124)**	21.7	–22.2	0.7	120.7	–25.7	none	0.76
C	C	**Mairs & Power Growth Fund (612-222-8478)**	16.4	–14.5	2.4	16.8	–17.7	none	0.99
C	D	**Manhattan Fund (212-850-8300)**	14.7	–4.7	3.1	69.1	–13.5	none	1.30
C	F	**Horace Mann Growth Fund[17] (217-789-2500)**	13.6	–13.4	1.4	63.3	–19.1	†	0.81
B	C	**Mathers Fund (312-236-8215)**	21.7	–13.3	6.0	179.3	–20.1	none	0.60
B	D	**W L Morgan Growth Fund (800-523-7025)**	18.4	–13.4	2.9	370.7	–10.9	none	0.85
B	A	**Mutual Shares (212-908-4047)**	25.4	15.0	5.1	370.3	72.0	none	0.83
B	D	**Naess & Thomas Special Fund (212-269-6500)**	16.9	–33.1	5.1	35.9	–22.5	none	1.41
C	F	**National Industries Fund (213-277-1450)**	13.6	–9.4	3.5	27.7	–13.4	none	1.67
B	F	**Neuwirth Fund (800-221-5672)**	13.6	–31.6	none	18.0	–37.5	none	1.58
B	D	**Newton Growth Fund (800-247-7039)**	15.8	–22.7	0.8	29.0	–18.8	none	1.16
B	B	**Nicholas Fund (414-272-6133)**	25.7	–6.9	2.8	157.1	–2.2	none	0.87
D	C	**North Star Stock Fund (612-371-2381)**	16.0	–7.2	3.2	45.9	16.2	none	0.70
B	F	**Omega Fund (617-357-8480)**	13.3	–19.8	1.1	23.1	–29.4	none	1.50
C	D	**The One Hundred Fund (303-837-1020)**	11.8	–33.7	none	10.0	–35.9	none	1.70
C	A	**Partners Fund (212-850-8300)**	20.0	–1.5	5.9	146.3	5.0	none	0.97
C	D	**Penn Square Mutual Fund (800-523-8440)**	17.1	–3.5	5.2	161.5	–9.5	none	0.63
A	A	**Pennsylvania Mutual Fund (800-221-4268)**	30.9	–2.9	1.2	145.6	84.1	none	1.29
C	D	**Pine Street Fund (800-221-5672)**	14.1	–9.2	3.8	39.4	–12.4	none	1.15
B	C	**Plitrend Fund (800-231-0808)**	21.7	–18.8	2.1	61.5	–19.6	none	1.04
A	F	**Precious Metals Holdings (617-338-4220)**	12.2	–7.3	4.2	59.8	–25.3	none	1.36
D	F	**T Rowe Price Growth Stock Fund (800-638-5660)**	10.2	–15.0	2.8	868.9	–22.0	none	0.52
B	F	**T Rowe Price New Era Fund (800-638-5660)**	16.4	–2.9	3.8	452.6	–6.9	none	0.68
A	D	**T Rowe Price New Horizons Fund (800-638-5660)**	20.0	–20.6	1.3	1,179.4	–29.6	none	0.61
D	C	**PRO Fund (800-523-0864)**	12.1	–15.3	2.5	28.4	–33.2	none	1.37
•A	D	**Quasar Associates (800-221-5672)**	—*	–22.5	0.4	42.9	–1.6	none	1.23
B	D	**SAFECO Equity Fund (800-426-6730)**	17.6	–7.4	4.8	30.1	–16.2	none	0.65
A	C	**SAFECO Growth Fund (800-426-6730)**	23.5	–11.6	2.8	58.0	–13.3	none	0.61
D	C	**SAFECO Income Fund (800-426-6730)**	15.9	2.7	7.0	19.5	–5.3	none	0.63
B	D	**Scudder Capital Growth Fund (800-225-2470)**	21.9	–8.7	2.0	223.0	–3.4	none	0.89
C	F	**Scudder Common Stock Fund (800-225-2470)**	14.6	–16.5	3.8	223.7	–14.1	none	0.92
B	C	**Scudder Development Fund (800-225-2470)**	24.3	–18.0	1.8	206.6	–18.3	none	1.31
D	C	**Selected American Shares (800-621-7321)**	13.8	10.4	5.6	76.0	–5.5	none	0.94
C	F	**Selected Special Shares (800-621-7321)**	12.4	–10.4	3.3	31.4	–17.8	none	1.21

•Fund rated for two periods only, maximum allowable rating A. *Fund not in operation for full period. †Fund not currently selling shares. [15]Formerly Ivy Fund. [16]Formerly The One William Street Fund. [17]Formerly Horace Mann Fund.

1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results for latest 12 months: Average annual total return 1974-84	total return	income distrib.	Total assets 6/30/84 ($ millions)	% change '83 to '84	Maximum sales charge	Annual expense per $100
		Standard & Poor's 500 stock average	**14.9%**	**–4.8%**	**4.8%**				
		FORBES stock fund composite	**17.5%**	**–10.8%**	**3.0%**				
		FORBES balanced fund composite	**13.9%**	**–2.1%**	**8.3%**				
		FORBES bond and preferred stock fund composite	**10.2%**	**–0.1%**	**12.6%**				
		Stock funds (no load)	Group averages 17.6%	–12.2%	4.0%				
C	A+	**Sequoia Fund (212-245-4500)**	27.9%	16.9%	4.4%	$384.4	23.8%	†	$1.00
C	C	**Sherman, Dean Fund (212-577-3850)**	14.3	–28.4	0.5	4.1	–19.6	none	1.98
C	F	**Sierra Growth Fund (213-277-1450)**	13.4	–21.7	1.4	6.0	–16.7	none	1.99
C	D	**Smith, Barney Equity Fund (212-613-2631)**	15.8	–11.1	3.0	54.8	–19.4	none	0.91
D	F	**Steadman American Industry Fund (800-424-8570)**	5.4	–27.6	none	9.7	–32.6	none	NA
D	F	**Steadman Investment Fund (800-424-8570)**	7.8	–22.5	0.4	10.3	–35.2	none	NA
D	F	**Steadman Oceanographic Fund (800-424-8570)**	6.7	–24.6	none	7.0	–29.3	none	3.67
A+	F	**Stein Roe & Farnham Cap Opportun (800-621-0320)**	20.7	–30.3	0.6	206.0	–48.7	none	0.89
A	F	**Stein Roe & Farnham Stock Fund (800-621-0320)**	14.3	–28.4	2.0	214.1	–33.2	none	0.63
•B	C	**Stratton Growth Fund (215-542-8025)**	—*	–13.2	0.8	11.8	–8.5	none	1.61
B	D	**Tudor Fund (800-223-3332)**	22.0	–23.8	0.4	85.0	4.7	none	1.01
A+	D	**20th Century Growth Investors (816-531-5575)**	31.3	–22.8	0.5	616.4	–8.8	none	1.02
A+	C	**20th Century Select Investors (816-531-5575)**	30.5	–20.9	0.7	745.9	47.4	none	1.02
•A	C	**United Services Gold Shares (800-531-5777)**	—*	–7.2	5.2	442.8	40.7	none	1.11
C	B	**The Value Line Fund (800-223-0818)**	19.4	–29.3	2.4	162.1	–18.3	none	0.77
C	C	**The Value Line Income Fund (800-223-0818)**	18.9	–13.9	9.0	107.8	–17.1	none	0.78
C	A	**Value Line Levgd Growth Investors (800-223-0818)**	26.7	–25.3	2.0	173.8	–24.3	none	0.80
A	C	**The Value Line Special Situations (800-223-0818)**	22.9	–31.3	0.2	239.8	–37.0	none	1.00
•B	F	**Vanguard Index Trust (800-523-7025)**	—*	–4.8	4.7	230.5	22.3	none	0.28
•C	A	**Vanguard Qualified Dividend Port I[18] (800-523-7025)**	—*	5.2	9.1	57.6	30.0	none	0.76
D	C	**Variable Stock Fund (413-781-3000)**	12.3	–7.2	3.3	6.2	–7.5	none	1.26
A+	D	**Weingarten Equity Fund (212-557-8787)**	25.3	–22.8	0.3	93.3	–27.9	none	1.20
B	A	**Windsor Fund (800-523-7025)**	22.8	2.8	6.5	1,887.3	20.7	none	0.67
		Stock funds (low load)							
		Analytic Optioned Equity Fund (714-833-0294)	—*	2.9%	3.5%	$ 69.6	54.7%	none	$1.23
		Babson Enterprise Fund (816-471-5200)	—*	—	—*	5.4	—	none	NA
		Boston Co Special Growth Fund (800-343-6324)	—*	–19.7	0.6	28.8	242.9	none	1.46
		Bridges Investment Fund (402-397-4700)	—*	–4.0	6.2	3.3	10.0	none	1.10
		Calvert Equity Fund (800-368-2748)	—*	–16.7	2.3	5.8	–37.6	none	2.25
		Copley Tax-Managed Fund (617-674-8459)	—*	3.5	none	5.6	27.3	none	1.40
		Dean Witter Developing Growth Sec Tr (800-526-3143)	—*	–23.5	2.0	179.4	–9.6	none	0.80
		Dean Witter Dividend Growth Secs (800-526-3143)	—*	–0.4	4.8	50.4	64.7	none	1.17
		Dean Witter Natural Res Devel (800-526-3143)	—*	–15.4	2.4	28.5	–25.2	none	1.18
		Dean Witter Industry-Valued Securities (800-526-3143)	—*	–26.9	2.2	36.6	–21.0	none	1.08
		Dividend/Growth Fd-Dividend Series (800-638-2042)	—*	–2.0	4.0	3.4	–10.5	none	2.43
		Established Growth Fund (800-543-1818)	—*	—	—*	6.9	—	none	2.00
		The Evergreen Total Return Fund (914-698-5711)	—*	5.2	6.4	49.5	27.9	none	1.09
		Federated Stock Trust (800-245-4270)	—*	6.8	4.5	33.2	87.6	none	0.64
		Fidelity Discoverer Fund[19] (800-225-6190)	—*	–18.7	1.6	91.7	–5.4	none	1.21
		Fiduciary Capital Growth Fund (414-271-6666)	—*	–13.7	2.3	26.0	60.5	none	1.80
		Finomic Investment Fund (713-659-2611)	—*	–38.6	none	4.1	–36.9	none	1.90
		Flex Fund (614-457-8100)	—*	–3.1	4.4	44.5	36.1	none	1.51
		Gintel ERISA Fund (800-243-5808)	—*	4.0	2.5	61.3	34.4	none	1.40
		Gintel Fund (800-243-5808)	—*	–1.7	2.1	106.1	20.7	none	1.70

*Fund not in operation for full period. **Funds appear in this issue when they have net assets of $5 million or more and are deleted when net assets fall below $2 million. To earn a Forbes rating, a fund must have operated with the same investment policy during the two most recent stock market cycles. [18]Formerly Qualified Dividend Portfolio I. [19]Formerly Fidelity Asset Investment Trust.

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For additional information, please write to Benjamin A. Brown, Vice President, Financial Relations, Dept. C, ENSERCH Center, Box 999, Dallas, Texas 75221.

ENSERCH CORPORATION

1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends
		Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%
		FORBES stock fund composite	17.5%	–10.8%	3.0%
		FORBES balanced fund composite	13.9%	–2.1%	8.3%
		FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%
		Stock funds (no load)	Group averages 17.6%	–12.9%	3.0%
		Not rated**			
		Golconda Investors (800-431-6060)	—*	–13.4%	1.7%
		The GSC Performance Fund (803-271-7622)	—*	–37.7	none
		Hutton Investment-Emerging Gr Ser (212-742-5000)	—*	–24.6	0.5
		Hutton Investment-Growth Series (212-742-5000)	—*	–12.2	2.2
		Hutton Investment–Option Income (212 742-5000)	—*	—	—*
		Investment Portfolios–Equity (800-621-1048)	—*	—	—*
		LBKL Capital Opportunity Fund (800-221-5350)	—*	2.7	2.3
		Legg Mason Value Trust (800-368-2578)	—*	4.7	1.6
		Leverage Fund of Boston (800-225-6265)	—*	–23.4	none
		Lexington Goldfund (800-526-4791)	—*	–6.3	2.2
		Mairs & Power Income Fund (612-222-8478)	—*	–2.4	7.0
		Medical Technology Fund (800-523-0864)	—*	–34.6	0.7
		Meeschaert Cap Accumulation Fd[20] (617-423-6898)	—*	0.8	none
		Merrill Lynch Fund for Tomorrow (212-692-8252)	—*	—	—*
		Midwest Group-Bartlett Basic Value (800-543-8721)	—*	5.6	5.2
		Mutual Qualified Income Fund (212-908-4047)	—*	16.9	2.4
		The "New Beginning" Growth Fund (612-332-3223)	—*	–15.5	0.9
		Nicholas II (414-272-6133)	—*	—	—*
		North Star Apollo (612-371-7780)	—*	—	—*
		North Star Regional Fund (612-371-7780)	—*	–12.5	2.9
		Northeast Investors Growth Fund (800-225-6704)	—*	–11.8	1.1
		Nova Fund (617-890-4415)	—*	–15.9	1.6
		Pax World Fund (603-431-8022)	—*	–3.1	4.5
		P-C Capital Fund (800-243-1574)	—*	–9.8	6.0
		T Rowe Price Growth and Inc Fund (800-638-5660)	—*	–4.4	6.6
		Prudential-Bache Research Fund (212-791-4654)	—*	–15.5	2.3
		Quest for Value Fund (212-825-4000)	—*	–0.6	1.8
		Royce Value Fund (800-221-4268)	—*	–1.1	none
		St Paul Fiduciary Fund (612-738-4000)	—*	–15.1	2.3
		SBSF Fund (212-370-1250)	—*	—	—*
		SteinRoe Discovery Fund (800-621-0320)	—*	—	—*
		SteinRoe Special Fund (800-621-0320)	—*	–10.3	1.7
		SteinRoe Universe Fund (800-621-0320)	—*	–30.7	1.1
		Trustees' Commingled Fd-US Eq Port (800-523-7025)	—*	–8.2	4.9
		Twentieth Century Ultra Investors (816-531-5575)	—*	–34.2	none
		Twentieth Century Vista Investors (816-531-5575)	—*	—	—*
		UMB Stock Fund (800-821-5591)	—*	–3.6	8.9
		Unified Accumulation Fund (800-862-7283)	—*	0.5	none
		Unified Growth Fund (800-862-7283)	—*	–11.0	3.6
		Utd Svcs-Good & Bad Times Fund (800-531-5777)	—*	–7.1	0.9
		United Services-Growth Fund (800-531-5777)	—*	—	—*
		USAA Mutual Fund-Growth Fund (800-531-8181)	—*	–25.1	1.2
		USAA Mutual Fund-Sunbelt Era Fund (800-531-8181)	—*	–30.2	1.1
		Valley Forge Fund (215-688-6839)	—*	7.7	5.8

*Fund not in operation for full period. †Fund not currently selling shares. **Funds appear in this issue when they have net assets of $5 million or more and are deleted when net assets fall below $2 million. To earn a FORBES rating, a fund must have operated with the same investment policy during the two most recent stock market cycles. [20]Formerly Planned Investment Fund.

Total assets 6/30/84 (millions)	% change '84 vs '83	Maximum sales charge	Annual expenses per $100
$ 23.0	–1.3%	none	$1.71
7.2	–44.2	none	2.12
138.5	–14.0	none	2.10
637.5	62.9	none	1.85
90.3	—	none	2.30
8.2	—	none	NA
44.0	16.4	none	1.30
70.4	146.2	none	1.50
29.5	–32.5	none	1.09
8.9	20.3	none	1.50
2.6	–7.1	none	1.26
49.8	–31.4	none	1.46
13.1	227.5	none	4.97
76.0	—	none	NA
15.0	248.8	none	1.99
109.8	145.6	none	1.11
13.7	39.8	none	1.50
6.3	—	none	NA
14.8	—	none	NA
44.2	–2.9	none	0.90
3.6	–7.7	none	2.01
28.1	–8.2	none	1.50
13.7	37.0	none	1.40
5.1	–33.8	†	1.32
277.3	94.9	none	0.90
156.8	4.1	none	1.06
14.1	39.6	none	2.29
22.3	298.2	none	3.06
7.0	–2.8	none	1.50
17.6	—	none	NA
33.2	—	none	1.49
109.4	–8.5	none	0.93
182.5	–45.8	none	1.13
237.2	–2.7	none	0.50
435.9	–14.5	none	1.02
90.2	—	none	1.02
10.9	62.7	none	0.85
9.8	53.1	none	2.44
10.4	–1.0	none	1.16
12.7	–17.0	none	2.20
5.6	—	none	NA
112.4	2.7	none	1.12
86.1	22.0	none	1.16
5.4	80.0	none	1.60

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THE Vanguard GROUP OF INVESTMENT COMPANIES

1984 Fund Ratings

	Investment results						
	Average annual total return 1974-84	Latest 12 months total return	Latest 12 months return from income dividends	Total assets 6/30/84 (millions)	Total assets % change '84 vs '83	Maximum sales charge	Annual expenses per $100
Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%				
FORBES stock fund composite	17.5%	–10.8%	3.0%				
FORBES balanced fund composite	13.9%	–2.1%	8.3%				
FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%				
Bond & preferred stock (load)	Group averages 10.1%	0.2%	12.9%				
Not rated							
Age High Income Fund (800-632-2350)	—*	1.3%	14.7%	$ 71.4	30.8%	4.00%	$0.84
Alliance Mortgage Security Inc Fund (800-221-5672)	—*	—	—*	216.3	—	5.00	NA
American Capital Corporate Bond Fd[21] (800-231-3638)	8.9%	–0.4	12.5	79.5	–16.3	8.50	0.76
American Capital High Yield Invest[22] (800-231-3638)	—*	0.5	14.0	372.1	2.0	6.75	0.74
American National Bond Fund (800-231-4639)	—*	4.7	11.1	4.3	–2.3	5.00	1.00
Axe-Houghton Income Fund (914-631-8135)	9.9	–4.2	12.5	30.2	–12.2	8.00	1.01
Bond Fund of America (800-421-9900)	9.2	0.6	12.5	318.9	–2.4	8.50	0.63
Carnegie Govt Secs Tr-Intermed Ser (800-321-2322)	—*	3.2	11.9	12.7	23.3	4.00	1.00
CIGNA High Yield Fund (800-225-5151)	—*	2.5	14.1	76.1	30.5	7.50	0.96
Colonial Govt Securities Plus Trust (617-426-3750)	—*	—	—*	399.4	—	6.75	NA
Colonial High Yield Securities (800-225-2365)	10.5	2.8	14.2	81.1	9.0	6.75	1.03
Colonial Income Fund (800-225-2365)	8.6	–1.1	13.5	139.3	–17.3	6.75	0.79
Dean Witter High Yield Secs (800-526-3143)	—*	–1.8	14.3	417.9	1.7	5.50	0.71
Delchester Bond Fund (800-523-4640)	20.4	–1.5	13.9	40.9	–0.7	8.50	0.93
Federated High Income Secs (800-245-5051)	—*	1.9	13.9	149.3	31.5	6.50	1.16
First Investors Bond Apprec Fund (212-825-7900)	—*	–4.7	11.8	85.2	19.2	7.25	1.00
First Investors Fund for Inc (212-825-7900)	13.3	–2.7	15.5	856.0	8.4	8.50	0.88
Franklin Custodian-US Govt Ser (800-632-2350)	5.5	–0.1	13.9	1,686.7	NM	4.00	0.73
Fund for U S Govt Securities (800-245-2423)	7.4	2.3	11.8	47.8	–12.9	4.50	1.30
John Hancock Bond Fund (617-421-4506)	6.6	–0.1	12.7	666.6	10.4	8.00	0.83
John Hancock US Govt Secs Fund (617-421-4506)	11.4	2.5	10.6	101.8	61.8	8.00	1.03
High Income Shares (800-221-5757)	—*	1.1	14.9	76.4	17.9	7.25	1.05
High Yield Securities (800-231-0803)	—*	2.7	13.0	88.0	–13.0	6.50	1.08
IDS Bond Fund (800-328-8300)	—*	0.5	13.3	1,061.3	0.8	3.50	0.64
IDS Extra Income Fund (800-328-8300)	—*	—	—*	109.9	—	5.00	1.00
IDS Selective Fund[23] (800-328-8300)	9.6	–0.5	12.7	713.0	–8.9	5.00	0.62
Investment Quality Interest (800-231-4645)	—*	–3.2	13.3	68.2	–1.9	4.50	0.98
JP Income Fund (919-378-2448)	—*	–5.5	12.6	18.8	–16.8	8.00	0.82
Kemper High Yield Fund (800-621-1048)	—*	4.1	13.5	180.4	–1.1	6.75	0.74
Kemper Inc & Capital Preserv Fund (800-621-1048)	—*	3.8	13.2	95.6	–1.4	6.00	0.66
Kemper US Govt Secs Fund (800-621-1048)	—*	4.8	12.8	227.2	67.8	4.00	0.62
Lord Abbett Bond Debenture Fund (212-425-8720)	13.3	–3.8	11.9	190.4	–10.1	8.50	0.69
Mass Finl Bond Fund (800-343-2829)	—*	0.7	11.9	224.7	–9.3	7.25	0.81
Mass Finl High Income Tr (800-343-2829)	—*	0.1	13.8	344.8	10.7	7.25	0 83
Mass Finl Intl Tr-Bond Portfolio (800-343-2829)	—*	1.5	8.7	35.4	–14.5	7.25	1.35
Merrill Lynch Corp Bond Hi Income (800-225-5150)	—*	1.7	13.6	229.0	–9.1	4.00	0.86
Merrill Lynch Corp Bond Hi-Qual (800-225-5150)	—*	–0.5	13.0	113.1	–4.8	4.00	0.86
Merrill Lynch Corp Bond-Intermed (800-225-5150)	—*	1.3	12.3	27.0	–20.6	2.00	0.35
Monthly Income Shares (800-221-5757)	—*	–2.9	12.7	34.2	–17.2	8.50	1.04
National Bond Fund (800-223-7757)	9.3	–3.1	15.4	213.6	8.8	7.25	0.97
National Preferred Fund (800-223-7757)	14.0	2.6	10.6	3.6	2.9	7.25	1.10
Nationwide Bond Fund (800-848-0920)	—*	0.6	12.1	5.2	8.3	7.50	0.80
NEL Income Fund (617-267-6600)	7.2	0.9	10.7	33.7	–3.4	8.00	0.79
Oppenheimer High Yield Fund (800-525-7048)	—*	–1.6	14.6	422.8	2.5	6.75	1.00
Phoenix Hi Qual Bond Fund Series (800-243-1574)	—*	–4.7	10.9	4.1	64.0	7.00	1.55

*Fund not in operation for full period. [21]Formerly American General Capital Bond Fund. [22]Formerly American General High Yield Invest. [23]Formerly Investors Selective Fund. NA: Not available. NM: Not meaningful.

	Investment results						
	Average annual total return 1974-84	Latest 12 months total return	Latest 12 months return from income dividends	Total assets 6/30/84 (millions)	Total assets % change '84 vs '83	Maximum sales charge	Annual expenses per $100
Standard & Poor's 500 stock average	14.9%	−4.8%	4.8%				
FORBES stock fund composite	17.5%	−10.8%	3.0%				
FORBES balanced fund composite	13.9%	−2.1%	8.3%				
FORBES bond and preferred stock fund composite	10.2%	−0.1%	12.6%				
Bond & preferred stock (load)	Group averages 10.1%	0.2%	12.9%				
Not rated							
Phoenix High Yield Fund (800-243-1574)	—*	2.4%	14.7%	$ 45.2	26.3%	7.00%	$0.97
Pioneer Bond Fund (800-225-6292)	—*	2.2	11.9	14.7	7.3	8.50	1.00
Prudential-Bache Govt Secs Tr Intermed (800-528-6166)	—*	3.7	10.8	41.4	21.4	1.00	0.41
Prudential-Bache High Yield Fund (800-528-6166)	—*	3.6	13.5	224.6	5.2	6.75	0.91
Prudential-Bache Quality Income Fund (800-528-6166)	—*	2.7	11.2	25.4	63.9	6.75	1.62
Putnam High Yield Trust (800-225-1581)	—*	−3.0	15.3	589.3	9.1	6.75	0.63
Putnam U.S. Govt Guaranteed Sec (800-225-1581)	—*	—	—*	83.7	—	4.75	NA
St Paul Income Fund (612-738-4000)	8.8%	−5.5	12.4	12.7	−14.2	6.00	1.06
Security Bond Fund (800-255-3557)	—*	—	13.1	29.8	−6.0	4.75	0.78
Sentinel Bond Fund (802-229-3154)	9.5	1.2	12.1	12.3	−6.8	8.50	0.73
Shearson High Yield Fund (212-321-6554)	—*	−0.2	14.0	145.7	2.2	5.00	0.86
Sigma Income Shares (800-441-9490)	—*	−3.2	11.8	16.6	−16.6	8.50	0.80
United Bond Fund (816-283-4000)	8.3	−2.4	13.4	272.4	−11.9	8.50	0.53
United Government Securities Fund (816-283-4000)	—*	—	—*	8.6	—	4.00	NA
United High Income Fund (816-283-4000)	—*	0.1	14.1	481.4	1.0	8.50	0.86
Venture Income (+) Plus (505-983-4335)	—*	4.3	15.7	28.8	41.9	8.50	1.74
Bond & preferred stock (no load)	Group averages 9.1%	−0.7%	11.8%				
Not rated							
Aetna Income Shares (203-273-4806)	—*	0.7%	9.6%	$108.3	−14.1%	none	$0.25
Alliance Bond Fund (800-221-5672)	—*	−5.5	13.4	7.5	−49.3	none	1.07
American Investors Income Fund (800-243-5353)	—*	−11.6	14.2	16.4	−9.9	none	1.52
Babson Bond Trust[24] (800-821-5591)	7.7%	2.6	12.1	36.8	1.4	none	0.75
Boston Co Govt Income Fund (800-343-6324)	—*	3.5	10.3	5.4	1.9	none	1.50
Bull & Bear High Yield Fund (800-431-6060)	—*	—	—*	8.7	—	none	1.00
Calvert Income Fund (800-368-2748)	—*	−2.3	12.6	7.3	0.0	none	0.42
Capital Preserv Treasury Note Tr (800-227-8380)	—*	7.0	9.5	10.3	0.0	none	1.00
Columbia Fixed Income Secs Fund (300-547-1037)	—*	3.5	12.4	32.3	4.9	none	1.22
Composite Income Fund (800-541-0830)	—*	−1.6	11.7	3.4	−20.9	none	1.12
Dreyfus A Bonds Plus (212-895-1206)	—*	−1.9	12.6	94.4	−13.8	none	0.93
Federated GNMA Trust (800-245-4270)	—*	0.4	13.0	180.1	21.0	none	0.28
Federated Income Trust (800-245-4270)	—*	3.0	12.8	141.3	−4.5	none	0.26
Federated Intermediate Govt Tr (800-245-4270)	—*	4.5	11.7	149.5	822.8	none	0.01
Fidelity Corporate Bond Fund (800-225-6190)	8.2	−1.9	12.5	133.8	−12.4	none	0.77
Fidelity Govt Secs Fund Ltd (800-225-6190)	—*	—	11.1	72.9	−12.1	none	0.88
Fidelity High Income Fund (800-225-6190)	—*	3.3	14.0	262.2	18.3	none	0.87
Fidelity Thrift Trust (800-225-6190)	—*	0.4	11.7	111.8	14.8	none	0.69
Financial Bd Shares–Bd Shares Port (800-525-9831)	—*	−5.6	13.2	7.2	−11.1	none	0.00
FPA New Income[25] (800-421-4374)	—*	1.1	12.3	4.1	12.8	none	1.52
Hutton Investment-Bond & Inc Ser (212-742-6372)	—*	−3.6	9.1	152.4	−6.5	none	1.87
Hutton Investment-Govt Sec (212-742-6372)	—*	—	—*	206.7	—	none	NA
IDS Strategy Fund-Income Portfolio (800-328-8300)	—*	—	—*	965.1	—	none	1.60
Keystone Custodian Funds B-1 (800-225-2618)	8.3	−5.2	12.0	57.5	−1.7	none	0.88
Keystone Custodian Funds B-2 (800-225-2618)	10.7	−6.6	12.8	94.4	15.3	none	0.77

*Fund not in operation for full period. [24]Formerly Babson (DL) Income Trust. [25]Formerly Transamerica New Income. NA: Not available.

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	Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends
Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%
FORBES stock fund composite	17.5%	–10.8%	3.0%
FORBES balanced fund composite	13.9%	–2.1%	8.3%
FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%
Bond & preferred stock (no load)	Group averages 9.1%	–0.7%	11.8%
Not rated			
Keystone Custodian Funds-B-4 (800-225-2618)	12.7%	–2.7%	13.1%
Liberty Fund (800-367-0770)	10.0	1.1	9.4
Lexington GNMA Income Fund (800-526-4791)	—*	–0.1	11.4
Midwest Inc Tr-Intermed Govt Fund (800-543-8721)	—*	3.6	10.2
Mutual of Omaha America Fund (402-397-8555)	—*	1.7	11.0
North Star Bond Fund (612-371-7780)	—*	–1.7	10.8
Northeast Investors Trust (800-225-6704)	9.4	–2.9	14.1
T Rowe Price New Income Fund (800-635-5660)	9.7	6.2	11.4
T Rowe Price Short-Term Bond Fund (800-638-5660)	—*	—	—*
PRO Income Fund (800-523-0864)	7.1	–2.7	10.2
Pru-Bache Adjustable Rate Pref Stock (800-528-6166)	—*	—	—*
Scudder Target Fund-General 1990 (800-225-2470)	—*	–0.4	9.2
Steadman Associated Fund (800-424-8570)	7.8	–14.6	6.2
SteinRoe Bond Fund (800-621-0320)	—*	–4.3	12.0
Trustees' Commingled-Bond Port (800-523-7025)	—*	—	—*
Twentieth Century US Govts (816-531-5575)	—*	4.3	11.0
UMB Bond Fund (800-821-5591)	—*	1.5	11.7
The Value Line Bond Fund (800-223-0818)	—*	–1.5	12.1
Vanguard Fixed Income Secs-GNMA (800-523-7025)	—*	2.0	12.9
Vanguard Fixed Income Secs-High Yld (800-523-7025)	—*	0.3	15.2
Vanguard Fixed Income Secs-Invest Gr (800-523-7025)	8.4	–1.6	13.8
Vanguard Fixed Income Secs-ST (800-523-7025)	—*	5.6	10.7
Vanguard Qualified Dividend Port II[26] (800-523-7025)	—*	–6.0	13.8
Vanguard Qualified Dividend Port III (800-523-7025)	—*	—	—*
Municipal bond funds	Date started		
American Capital Muni Bond Fund[27] (800-231-3638)	11/76	3.4%	9.4%
D L Babson Tax-Free Inc Fund-LT (800-821-5591)	2/80	0.8	9.5
D L Babson Tax-Free Inc Fund-ST (800-821-5591)	2/80	3.4	7.0
Benham Calif Tax Free Trust-Intermediate (800-227-8380)	11/83	—	—*
Benham Calif Tax-Free Trust-Long-Term (800-227-8380)	11/83	—	—*
Bullock Tax-Free Shares (800-221-5757)	2/77	—	9.5
Calif Tax Exempt Bonds (800-223-7757)	5/83	–1.5	9.8
Calvert Tax-Free Res-Ltd Term (800-368-2748)	4/81	5.3	6.5
Calvert Tax Free Reserves-Long-term (800-368-2748)	9/83	—	—*
CIGNA Municipal Bond Fund (800-225-5151)	3/77	1.0	9.6
Composite Tax-Exempt Bond Fund (800-541-0830)	1/77	0.3	9.7
Country Cap Tax Exempt Bond Fund (309-557-2444)	11/78	–2.1	8.1
Dean Witter Tax Exempt Secs (800-526-3143)	3/80	1.9	9.1
DMC Tax-Free Income Tr-USA (800-523-4640)	1/84	—	—*
DMC Tax-Free Income Tr-Penn (800-523-4640)	3/77	3.5	9.2

*Fund not in operation for full period. [26]Formerly Qualified Dividend-Portfolio II. [27]Formerly American General Muni Bond Fund.

	Total assets		Maximum	Annual
	6/30/84 (millions)	% change '84 vs '83	sales charge	expenses per $100
	$392.6	−9.1%	none	$0.69
	7.6	−11.6	none	1.50
	23.0	20.4	none	1.47
	24.3	−14.1	none	1.10
	17.9	−13.5	none	1.21
	18.2	40.0	none	0.80
	153.7	−12.3	none	0.67
	620.1	−9.8	none	0.62
	18.4	—	none	NA
	20.3	−15.8	none	1.34
	221.3	—	none	NA
	7.7	40.0	none	1.00
	25.0	−27.3	none	NA
	86.5	2.9	none	0.80
	47.5	—	none	NA
	60.4	300.0	none	1.02
	6.0	30.4	none	0.85
	48.4	−19.2	none	0.89
	200.2	62.1	none	0.58
	132.3	83.5	none	0.68
	71.4	9.5	none	0.67
	118.3	−25.1	none	0.56
	42.6	−24.9	none	0.66
	142.1	—	none	NA
	$ 64.0	21.2%	4.75%	$0.80
	11.9	12.3	none	0.75
	6.6	29.4	none	0.75
	25.8	—	none	1.00
	21.9	—	none	1.00
	52.9	18.6	4.75	0.98
	23.6	91.9	5.25	0.32
	49.9	−7.1	none	1.00
	19.9	—	none	NA
	137.5	1.8	7.50	0.62
	51.6	−18.4	none	0.87
	4.1	13.9	5.00	1.57
	127.5	12.7	4.00	0.70
	21.2	—	4.50	NA
	56.3	26.5	4.50	0.87

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	Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
Standard & Poor's 500 stock average	14.9%	−4.8%	4.8%				
FORBES stock fund composite	17.5%	−10.8%	3.0%				
FORBES balanced fund composite	13.9%	−2.1%	8.3%				
FORBES bond and preferred stock fund composite	10.2%	−0.1%	12.6%				
Municipal bond funds	Date started						
Dreyfus Calif Tax Exempt Bond Fund (800-645-6561)	7/83	—	—*	$ 228.9	—	none	$0.27
Dreyfus Intermediate Tax Exempt Bond Fd (800-645-6561)	8/83	—	—*	241.7	—	none	0.38
Dreyfus NY Tax Exempt Bond Fund (212-895-1206)	7/83	—	—*	273.7	—	none	0.61
Dreyfus Tax Exempt Bond Fund (800-645-6561)	10/76	2.4%	9.6%	1,872.9	7.0%	none	0.71
Eaton Vance Municipal Bond Fund (617-482-8260)	3/78	0.2	9.6	16.2	27.6	3.75%	0.80
Federated Tax-Free Income Fund (800-245-5051)	10/76	−2.7	9.5	44.5	−9.2	4.50	1.17
Fidelity High Yield Muni (800-225-6190)	12/77	2.2	10.2	787.8	22.5	none	0.65
Fidelity Limited Term Muni (800-225-6190)	4/77	3.3	8.1	177.9	4.9	none	0.83
Fidelity Mass Tax-Free-Muni Bond (800-225-6190)	11/83	—	—*	47.8	—	1.00	NA
Fidelity Municipal Bond Fund (800-225-6190)	8/76	0.5	9.5	618.0	−7.4	none	0.59
Financial Tax-Free Inc Shares (800-525-9831)	8/81	−1.3	9.5	60.3	−2.3	none	0.75
First Investors Tax Exempt Fund (212-825-7900)	8/77	3.0	9.3	287.3	51.6	7.25	1.22
Franklin Calif Tax-Free Inc Fund (800-632-2350)	2/77	3.4	9.9	1,840.8	41.8	4.00	0.55
Franklin Federal Tax-Free Income (800-632-2350)	9/83	—	—*	8.0	—	4.00	0.70
Franklin NY Tax-Free Income Fund (800-632-2350)	9/82	2.9	10.2	201.1	359.1	4.00	0.80
GIT Tax Free Tr-High Yield (800-336-3063)	12/82	0.7	9.3	25.1	11.6	none	1.12
John Hancock Tax-Exempt Inc Tr (617-421-4506)	1/77	0.5	8.5	171.2	34.5	8.00	0.74
Hutton California Municipal Fund (212-742-3992)	6/83	2.3	8.7	54.7	287.9	4.00	0.75
Hutton National Municipal Fund (212-742-3992)	6/83	6.2	9.2	181.9	306.9	4.00	0.72
Hutton New York Municipal Fund (212-742-3992)	6/83	5.5	8.6	53.5	552.4	4.00	0.68
IDS High Yield Tax-Exempt Fund (800-328-8300)	5/79	2.8	10.0	1,429.7	33.6	5.00	0.66
IDS Tax-Exempt Bond Fund (800-328-8300)	12/76	1.0	9.5	427.6	11.3	5.00	0.67
Kemper Calif Tax-Free Inc Fund (800-621-1048)	1/83	2.3	9.6	51.2	94.7	4.50	0.72
Kemper Municipal Bond Fund (800-621-1048)	4/76	2.9	9.6	425.0	29.5	4.75	0.54
Keystone Tax Free Fund (800-225-2618)	1/78	0.8	10.0	224.2	337.0	none	1.12
Lord Abbett Tax-Free-Natl Series (212-425-8720)	4/84	—	—*	9.1	—	4.75	NA
Lord Abbett Tax-Free-NY Series (212-425-8720)	4/84	—	—*	10.6	—	4.75	NA
Merrill Lynch Muni Bd Fd-High Yield (212-692-2939)	11/79	4.4	10.3	377.0	28.7	4.00	0.66
Merrill Lynch Muni Bd Fd-Insured (212-692-2939)	11/77	3.0	9.7	637.6	17.9	4.00	0.73
Merrill Lynch Muni Bd Fd-Ltd Mty (212-692-2939)	11/79	5.6	6.7	421.3	−8.5	1.00	0.49
MFS Managed High Yield Municipal Bond (617-956-1200)	2/84	—	—*	37.0	—	4.75	NA
MFS Managed Municipal Bond Trust (800-343-2829)	10/76	3.3	8.8	282.4	32.2	4.75	0.80
Midwest Group Tax Free Tr-Ltd Term (800-543-8721)	9/81	3.6	6.4	15.0	9.5	none	0.99
Mutual of Omaha Tax-Free Inc Fund (402-397-8555)	1/77	−1.0	9.4	100.1	16.0	8.00	0.74
National Secs Tax Exempt Bonds (800-223-7757)	11/76	0.5	9.6	33.5	4.7	5.25	0.85
NEL Tax Exempt Bond Fund (617-267-6600)	5/77	0.5	9.6	69.6	21.0	4.50	0.78
New York Muni Fund (800-221-2990)	4/81	5.1	8.0	95.0	70.9	none	1.53
Nuveen Municipal Bond Fund (800-621-7227)	11/76	1.0	8.2	313.2	22.6	none	0.74
Oppenheimer Tax-Free Bond Fund (212-668-5000)	10/76	6.0	8.8	61.9	13.4	4.50	0.90
T Rowe Price Tax-Free Inc Fund (800-638-5660)	11/76	1.0	8.3	861.9	−11.4	none	0.66
T Rowe Price Tax-Free Short-Intermed Fd (800-638-5660)	12/83	—	—*	40.2	—	none	NA
Prudential-Bache High Yield Muni (212-791-4654)	6/80	3.1	9.4	231.3	28.1	4.50	0.85
Putnam Calif Tax Exempt Income (800-225-1581)	6/83	0.8	9.5	288.4	16.0	4.75	NA
Putnam Tax Exempt Income Fund (800-225-1581)	11/76	2.4	9.1	107.0	29.9	4.75	0.72
Quality Tax Free Bond Portfolio (713-751-2400)	6/83	1.3	9.3	16.4	NM	4.50	NA

*Fund not in operation for full period. NA: Not available. NM: Not meaningful.

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%				
		FORBES stock fund composite	17.5%	–10.8%	3.0%				
		FORBES balanced fund composite	13.9%	–2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%				
		Municipal bond funds	Date started						
		SAFECO California Tax Free Income (800-426-6730)	8/83	—	—*	$ 8.0	—	none	$0.90
		SAFECO Municipal Bond Fund (800-426-6730)	11/81	0.7%	9.9%	51.9	68.5%	none	0.64
		Scudder California Tax-Free (800-225-2470)	7/83	—	—*	39.1	—	none	1.00
		Scudder Managed Municipal Bonds (800-225-2470)	10/76	–0.5	9.9	446.2	–1.0	none	0.65
		Scudder New York Tax-Free (800-225-2470)	7/83	—	—*	30.7	—	none	1.00
		Scudder Tax-Free Target 1987 Port (800-225-2470)	4/83	4.7	6.3	13.4	226.8	none	1.00
		Scudder Tax-Free Target 1990 Port (800-453-3305)	4/83	3.6	7.5	19.0	387.2	none	1.00
		Scudder Tax-Free Target-1993 Port (800-453-3305)	4/83	4.8	8.1	14.6	386.7	none	1.00
		Selected Tax-Exempt Bond Fund (800-621-7321)	10/77	–0.5	8.8	4.5	7.1	none	0.64
		Seligman Tax-Exempt Series-Mass Ser (800-221-2450)	11/83	—	—*	19.2	—	4.75%	NA
		Seligman Tax-Exempt Series-Minn Ser (800-221-2450)	11/83	—	—*	20.6	—	4.75	NA
		Seligman Tax-Exempt Series-Natl Ser (800-221-2450)	11/83	—	—*	18.0	—	4.75	NA
		Seligman Tax-Exempt Series-NY Ser (800-221-2450)	11/83	—	—*	15.0	—	4.75	NA
		Seligman Tax-Exempt Series-Ohio Ser (800-221-2450)	11/83	—	—*	16.1	—	4.75	NA
		Shearson California Municipals (617-956-9690)	4/84	—	—*	16.0	—	5.00	NA
		Shearson Managed Municipals (212-577-5794)	3/81	3.2	9.9	194.0	21.0	5.00	0.71
		Sigma Tax-Free Bond Fund (800-441-9490)	8/79	–2.2	9.1	5.5	0.0	4.75	0.64
		SteinRoe High Yield Municipals (800-621-0320)	3/84	—	—*	12.4	—	none	0.80
		SteinRoe Tax-Exempt Bond Fund (800-621-0320)	2/77	2.5	8.7	199.6	2.7	none	0.65
		Tax-Exempt Bond Fund of Amer (800-421-9900)	10/79	1.4	8.5	104.7	15.4	4.75	0.71
		United Municipal Bond Fund (816-283-4000)	11/76	0.7	9.3	189.0	6.3	4.00	0.67
		USAA Tax-Exempt Fund-High Yield (800-531-8181)	3/82	1.9	9.9	159.9	99.4	none	0.68
		USAA Tax-Exempt Fund-Intermed (800-531-8181)	3/82	2.8	9.2	70.1	53.4	none	0.23
		USAA Tax-Exempt Fund-Short Term (800-531-8181)	3/82	5.6	6.7	65.9	83.6	none	0.85
		Vanguard Muni Bond-High Yield (800-523-7025)	12/78	1.2	10.1	200.6	33.8	none	0.46
		Vanguard Muni Bond-Intermediate (800-523-7025)	9/77	1.5	8.9	182.2	30.1	none	0.46
		Vanguard Muni Bond-Long Term (800-523-7025)	9/77	1.2	9.8	249.1	10.5	none	0.46
		Stock funds (closed end)	Group averages: 22.7%	6.1%	3.4%			% prem (+) or disc (–)	
D	A	The Adams Express Co (301-752-5900)	18.1%	2.9%	5.0%	$340.2	–9.6%	–7.4%	$0.52
A+	C	ASA Limited (212-754-9375)	12.0	–9.5	7.0	614.8	–4.4	–10.2	0.20
A	B	Baker, Fentress & Co (312-236-9190)	26.9	–2.4	3.6	301.3	–16.4	–20.6	0.44
A+	B	Central Securities (212-688-3011)	27.7	0.2	2.6	89.7	–13.5	–19.4	0.69
A	A	Claremont Capital (206-324-0901)	35.2	13.4	5.1	41.3	0.5	–17.9	1.06
B	B	General American Investors (212-916-8400)	22.3	–11.8	2.4	223.2	–20.4	0.4	1.25
B	B	The Japan Fund (212-350-8500)	23.2	14.2	1.5	264.7	11.0	–6.0	0.69
C	B	The Lehman Corp (800-221-5350)	20.3	0.4	3.9	644.4	–19.0	2.4	0.45
B	F	Niagara Share Corp (716-856-2600)	15.9	–3.4	2.9	154.2	–17.4	4.0	0.98
B	D	Petroleum & Resources Corp (301-752-5900)	20.4	–0.5	4.5	252.6	–5.4	–0.5	0.55
B	A+	Source Capital (800-421-4374)	38.2	7.1	4.7	239.9	–6.4	–6.5	0.96
C	D	Spectra Fund (800-223-3810)	17.7	48.6	none	4.3	–27.1	–34.9	2.47
D	A	Tri-Continental Corp (800-221-2450)	17.6	–2.1	4.9	862.1	–20.0	–3.2	0.53

*Fund not in operation for full period. NA: Not available.

1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	% prem (+) or disc (–)	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%				
		FORBES stock fund composite	17.5%	–10.8%	3.0%				
		FORBES balanced fund composite	13.9%	–2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%				
		Stock funds (closed end)	Group averages 22.7%	6.1%	3.4%				
		Not rated**							
		CL Assets (800-367-0770)	—*	15.4%	none	$21.4	–2.7%	485.9%	$1.50
		Engex (212-558-0439)	—*	112.5	none	22.0	–20.6	–24.7	0.91
		Equity Strategies Fund (212-683-7141)	—*	–11.1	2.0	5.8	–27.5	–1.9	1.79
		The Mexico Fund (212-692-2939)	—*	–40.1	6.8%	60.7	168.6	–5.7	3.20
		Nautilus Fund (617-482-8260)	—*	–24.7	3.8	20.5	–29.1	10.9	1.55
		Bond & preferred stock (closed end)	Group averages 11.0%	–0.1%	13.1%				
		Not rated							
		American Capital Bond Fund[28] (713-529-0600)	8.1%	3.1%	12.9%	$174.8	–8.3%	–5.0%	$0.80
		Bunker Hill Income Securities (213-613-7054)	—*	7.6	13.6	39.1	–15.2	3.6	0.85
		Circle Income Shares (317-639-8180)	—*	0.0	12.4	27.6	–6.4	2.2	0.75
		CNA Income Shares (212-952-5000)	—*	0.7	13.7	48.0	–11.8	–6.6	0.89
		Current Income Shares (213-480-6748)	—*	1.2	12.9	32.4	–13.4	–3.7	1.00
		Drexel Bond-Debenture Trading Fund (215-545-4100)	12.3	–6.3	13.0	38.3	–15.1	0.0	1.56
		Excelsior Income Shares (212-425-7120)	—*	–2.6	13.4	32.2	–14.1	–6.8	0.92
		Fort Dearborn Income Securities (312-346-0676)	9.1	–6.7	13.3	72.6	–15.3	–4.2	0.80
		John Hancock Income Securities (617-421-2909)	—*	1.9	12.8	116.8	–12.4	–6.9	0.68
		John Hancock Investors (617-421-2909)	10.7	4.3	12.9	114.7	–8.3	–5.6	0.72
		Hatteras Income Securities (704-333-7808)	—*	1.1	12.8	40.2	–11.5	3.0	1.04
		INA Investment Securities (203-726-7800)	10.7	–3.0	13.2	69.0	–8.1	–5.9	0.97
		Independence Square Inc Secs (302-792-8800)	10.2	0.9	13.5	23.9	–15.9	2.9	1.05
		InterCapital Income Securities (212-938-4554)	—*	0.4	13.3	154.5	–10.7	1.0	0.71
		Lincoln National Direct Placement (219-427-3655)	13.5	5.5	12.8	52.2	–11.1	–13.1	0.95
		MassMutual Corporate Investors (413-788-8411)	17.6	1.4	12.3	103.8	–4.5	–18.5	1.01
		MassMutual Income Investors (413-788-8411)	10.7	0.5	13.2	105.3	–9.2	1.2	0.99
		Montgomery St Income Securities (415-982-8020)	—*	0.0	12.9	124.7	–12.6	–3.7	0.77
		Mutual of Omaha Interest Shares (800-228-9596)	8.9	–3.8	12.9	71.6	–11.1	–2.2	0.83
		Pacific American Income Shares (213-449-0309)	—*	5.0	13.1	70.5	–12.3	–7.7	3.96
		Paul Revere Investors (617-799-4441)	10.0	–13.2	14.4	36.2	–7.2	–20.8	1.59
		St Paul Securities (612-738-4000)	10.7	1.8	12.6	88.3	–14.5	1.3	0.88
		State Mutual Securities (800-251-4653)	—*	–1.9	13.5	76.5	–11.2	–8.1	1.06
		Transamerica Income Shares (800-631-0749)	11.3	0.3	12.6	90.1	–13.2	0.0	0.67
		USLIFE Income Fund (212-709-6616)	12.0	7.5	13.7	43.8	–12.6	0.1	1.33
		Vestaur Securities (215-567-3969)	9.6	–7.5	14.0	61.9	–15.0	–10.0	1.20
		Balanced funds (closed end)	Group averages 21.9%	–3.0%	7.6%				
A+	A	American Capital Convertible Secs[29] (713-529-0600)	23.3%	5.1%	6.5%	$67.4	–13.5%	14.9%	$0.79
A	C	Bancroft Convertible Fund (212-269-9236)	19.3	–4.4	6.6	43.2	–11.1	–8.5	1.30
A	C	Castle Convertible Fund (800-223-3810)	23.0	–9.7	9.8	28.3	–25.5	–6.1	1.35

*Fund not in operation for full period. **Funds appear in this issue when they have net assets of $5 million or more and are deleted when net assets fall below $2 million. To earn a FORBES rating, a fund must have operated with the same investment policy during the two most recent stock market cycles. [28]Formerly American General Bond Fund. [29]Formerly American General Convertible Secs. NA: Not available.

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Investment results: Latest 12 months total return	Investment results: Latest 12 months return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	% Prem (+) or disc (–)	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%				
		FORBES stock fund composite	17.5%	–10.8%	3.0%				
		FORBES balanced fund composite	13.9%	–2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%				
Kind of shares		**Dual purpose funds**	Group averages						
			20.5%	–4.2%	16.6%				
Capital		Gemini Capital (800-523-7025)	30.4%	–1.7%	none	$110.5	–7.1%	–1.4%	$0.81
Income		Gemini Income (800-523-7025)	—	0.4	24.6%			10.9	
Capital		Hemisphere Fund (800-367-0770)	10.6	–34.7	none	23.3	–7.2	–2.7	0.95
Income		Hemisphere Fund (800-367-0770)	—	19.4	8.5			–5.8	
		Balanced funds (load)	Group averages					Maximum sales charge	
			13.9%	–2.4%	8.4%				
C	C	American Balanced Fund (800-421-9900)	13.4%	–2.9%	7.8%	$111.1	–4.7%	8.50%	$ 0.77
A+	F	American Capital Harbor Fund[30] (800-231-3638)	17.7	–5.1	7.3	163.3	–9.9	8.50	0.65
C	F	Axe-Houghton Fund B (800-431-1030)	12.0	–11.1	6.8	128.6	–20.1	8.00	0.73
C	C	Boston Foundation Fund (412-288-1900)	14.1	3.7	7.2	26.6	–6.3	8.50	1.52
D	B	CIGNA Income Fund (800-225-5151)	11.1	–0.2	12.2	190.5	–15.7	7.50	0.65
B	F	The Colonial Fund (617-426-3750)	12.2	1.2	6.5	83.2	–3.4	8.50	0.99
B	D	Commerce Income Shares (800-231-4645)	12.9	–11.0	7.0	46.4	–19.6	8.50	0.98
B	F	Eaton & Howard Balanced Fund (617-482-8260)	11.1	–3.6	7.5	53.3	–20.6	7.25	0.89
D	B	Eaton Vance High Yield (617-482-8260)	9.5	0.0	12.6	20.9	–14.3	8.50	0.95
D	C	Eaton Vance Inc Fund of Boston (617-482-8260)	11.3	–1.0	12.2	33.4	17.2	8.50	1.24
A	D	Eaton Vance Investors Fund (617-482-8260)	15.0	–2.2	7.2	136.0	–9.6	8.50	0.86
B	C	Franklin Custodian–Income Series (800-632-2350)	15.9	–1.7	13.0	65.5	12.4	7.25	0.83
C	D	IDS Mutual[31] (800-328-8300)	12.8	–0.1	8.3	1,000.8	–14.6	5.00	0.61
A+	F	Kemper Total Return Fund (800-621-1048)	19.5	–13.9	4.9	246.5	16.6	8.50	0.69
C	B	Lord Abbett Income Fund (212-425-8720)	13.4	0.1	12.5	47.9	–4.4	7.25	0.90
D	B	Magna Income Trust (800-526-0475)	11.9	–1.8	12.6	7.3	–8.8	7.25	1.27
A	F	Massachusetts Fund (617-225-2618)	13.4	–8.5	6.8	185.8	–18.7	÷	0.61
B	D	Mass Income Development Fund (800-343-2829)	14.1	–3.0	7.9	186.7	–12.9	7.25	0.80
•D	•C	Merrill Lynch Equi-Bond I Fund (800-631-0749)	—*	–5.4	6.6	13.4	–13.0	4.00	1.50
D	C	Mutual of Omaha Income Fund (402-397-8555)	10.9	–0.2	11.7	44.6	2.8	8.00	0.90
C	D	Nation-Wide Securities (800-221-5757)	12.7	1.4	7.5	33.6	–12.0	8.50	1.18
B	B	National Income Fund (800-223-7757)	16.6	2.7	8.9	53.0	–11.5	7.25	0.91
A+	D	National Total Return Fund (800-223-7757)	18.1	–1.8	7.1	128.8	2.1	7.25	0.92
B	B	Phoenix-Chase Convertible Fund Series (800-243-1574)	19.4	0.8	8.4	58.6	–8.6	8.50	0.88
C	B	Provident Fund for Income (713-529-0600)	15.3	1.6	7.6	100.7	–11.0	7.25	0.71
A	D	Putnam Convertible Fund (800-255-1581)	17.3	–7.6	8.3	45.1	27.4	8.50	1.08
B	D	The George Putnam Fund Boston (800-225-1581)	13.4	–13.3	9.9	257.3	–26.0	8.50	0.59
D	B	The Putnam Income Fund (800-225-1581)	9.9	0.3	12.9	135.6	–12.9	6.75	0.83
C	C	Seligman Income Fund (800-221-2450)	13.5	–1.6	11.0	71.9	–6.6	7.25	0.79
D	C	Sentinel Balanced Fund (802-229-3154)	12.7	2.1	8.1	12.4	–5.3	8.50	0.80
C	D	Sigma Trust Shares (800-441-9490)	13.1	–0.3	7.1	23.8	–4.8	8.50	1.02
A	C	SoGen International Fund (212-832-0022)	17.1	0.7	5.7	40.6	–5.1	4.50	1.24
B	D	United Contl Income Fund (816-283-4000)	14.3	–3.0	6.9	46.2	–7.0	8.50	0.88
		Not rated**							
		Convertible Yield Securities (713-626-1919)	—*	–11.6%	6.6%	$20.5	–12.8%	6.50%	$1.54
		Country Capital Income Fund (309-557-2444)	—*	0.8	9.9	3.3	–8.3	5.00	1.50
		GPM Fund (617-482-6500)	—*	–0.9	2.8	3.4	–2.9	8.00	1.50

•Fund rated for two periods only; maximum allowable rating A. *Fund not in operation for full period. **Funds appear in this issue when they have net assets of $5 million or more and are deleted when net assets fall below $2 million. To earn a FORBES rating, a fund must have operated with the same investment policy during the two most recent stock market cycles. †Fund not currently selling new shares. [30]Formerly American General Harbor Fund. [31]Formerly Investors Mutual.

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1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends
		Standard & Poor's 500 stock average	14.9%	–4.8%	4.8%
		FORBES stock fund composite	17.5%	–10.8%	3.0%
		FORBES balanced fund composite	13.9%	–2.1%	8.3%
		FORBES bond and preferred stock fund composite	10.2%	–0.1%	12.6%
		Balanced funds (load)	Group averages 13.9%	–2.4%	8.4%
		Not rated**			
		Merrill Lynch Phoenix Fund (800-631-0749)	—*	5.3	3.5
		Phoenix Balanced Fund Series (800-243-1574)	—*	1.6	8.8
		Rea-Graham Fund (213-471-1917)	—*	–5.9	6.6
		Balanced funds (no load)	Group averages 11.9%	–1.8%	8.2%
B	F	Composite Bond & Stock Fund (800-541-0830)	12.4%	–10.9%	8.5%
B	F	Dodge & Cox Balanced Fund (415-981-1710)	13.5	–3.7	7.3
C	D	The Dreyfus Special Income Fund (800-631-0749)	11.7	1.9	9.2
C	D	Keystone Custodian Funds-K-1 (800-225-2618)	13.5	–4.7	8.8
C	F	Loomis-Sayles Mutual Fund (800-223-7124)	12.0	–8.0	6.3
D	C	Newton Income Fund (800-247-7039)	9.9	5.0	11.0
D	C	Nicholas Income Fund[32] (414-272-6133)	9.6	2.2	13.0
D	C	Scudder Income Fund (800-225-2470)	10.0	–0.6	11.7
D	B	Southwestern Investors Income (800-231-0808)	10.1	1.4	11.0
B	F	SteinRoe Total Return Fund[33] (800-621-0320)	11.1	–9.3	6.9
A	F	Unified Mutual Shares (800-862-7283)	14.1	–4.6	4.7
D	C	Wellesley Income Fund (800-523-7025)	12.3	2.5	11.1
B	F	Wellington Fund (800-523-7025)	14.0	–0.3	7.8
		Not rated**			
		Calvert Social Invest–Mgd Growth (800-368-2748)	—*	–9.2	4.3
		Strong Investment Fund (800-368-3863)	—*	5.5	1.9
		Strong Total Return Fund (800-368-3863)	—*	3.5	2.5
		Unified Income Fund (800-862-7283)	—*	–6.0	11.2
		USAA Mutual Fund-Income Fund (800-531-8181)	—*	2.1	10.2
		Funds for investing abroad	Group averages 13.6%	1.3%	2.2%
D	F	Canadian Fund (800-221-5757)	9.4%	–9.9%	3.8%
•C	•B	G T Pacific Fund (415-392-6181)	—*	7.2	2.3
A+	C	International Investors (800-221-2220)	18.2	–3.1	4.6
D	D	Keystone International Fund (800-225-2618)	12.0	–11.0	3.6
•C	•A	Merrill Lynch Pacific Fund (800-225-5150)	—*	14.4	0.7
C	C	Putnam International Equities (800-343-0929)	17.6	2.0	0.6
D	C	Scudder International Fund (800-225-2470)	13.2	5.6	2.0
D	D	Transatlantic Fund (212-747-0440)	11.2	–6.7	7.0
		Not rated**			
		Alliance International Fund (212-902-2000)	—*	–1.0%	0.7%
		Bailard, Biehl & Kaiser Intl Fund (415-571-5800)	—*	13.6	0.7
		Dean Witter World Wide Invest Tr (800-526-3143)	—*	—	—*
		Europacific Growth Fund (800-421-9900)	—*	—	—*
		First Investors Intl Secs Fund (212-825-7966)	—*	–4.2	0.4

•Fund rated for two periods only; maximum allowable rating A. *Fund not in operation for full period. **Funds appear in this issue when they have net assets of $5 million or more and are deleted when net assets fall below $2 million. To earn a FORBES rating, a fund must have operated with the same investment policy during the two most recent stock market cycles. [32]Formerly Wisconsin Income Fund. [33]Formerly Stein Roe & Farnham Balanced Fund.

Total assets 6/30/84 (millions)	Total assets % change '84 vs '83	Maximum sales charge	Annual expenses per $100
105.0	−15.1	6.50	1.16
61.9	−8.0	8.50	0.82
10.0	23.5	8.50	2.45
$ 23.6	−14.5%	none	$1.02
17.9	−8.2	none	0.76
86.3	1.4	none	0.85
63.5	−8.9	none	0.87
81.7	−17.8	none	0.87
7.1	9.2	none	1.77
15.1	4.1	none	1.00
105.6	−1.3	none	0.97
9.4	−6.0	none	1.04
86.9	−10.6	none	0.73
9.0	−8.2	none	1.23
98.1	−9.3	none	0.70
563.4	−10.2	none	0.64
9.0	95.7	none	0.85
91.1	699.1	none	1.70
59.7	428.3	none	1.80
6.9	0.0	none	0.65
83.5	120.9	none	0.99
$ 21.4	−21.3%	8.50%	$1.16
39.2	180.0	none	1.40
927.0	33.0	8.50	0.78
26.9	−18.7	none	1.66
92.7	102.8	6.50	1.31
44.5	5.2	8.50	1.65
173.5	59.6	none	1.05
29.5	−14.7	none	1.28
$ 47.8	28.8%	8.50%	$1.42
30.0	46.3	none	1.23
101.6	—	none	1.24
12.7	—	8.50	0.54
35.8	347.5	8.50	1.51

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1984 Fund Ratings

Performance in UP markets	Performance in DOWN markets		Investment results: Average annual total return 1974-84	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Maximum sales charge	Annual expenses per $100
		Standard & Poor's 500 stock average	14.9%	−4.8%	4.8%				
		FORBES stock fund composite	17.5%	−10.8%	3.0%				
		FORBES balanced fund composite	13.9%	−2.1%	8.3%				
		FORBES bond and preferred stock fund composite	10.2%	−0.1%	12.6%				
		Funds for investing abroad	Group averages 13.6%	1.3%	2.2%				
		Not rated**							
		Kemper International Fund (800-621-1148)	—*	0.6%	1.0%	$ 44.5	22.6%	8.50%	$1.44
		T Rowe Price International Fund (800-638-5660)	—*	5.3	1.2	178.5	90.5	none	1.16
		Prudential-Bache Global Fund (800-872-7787)	—*	—	—*	5.0	—	none	NA
		Templeton Foreign Fund (800-237-0738)	—*	3.7	1.5	61.8	286.3	8.50	1.44
		United Services-Prospector Fund (800-531-5777)	—*	—	—*	48.0	—	none	NA
		Trustees' Commingled Fd-Int Eq Port (800-523-7025)	—*	3.4	2.7	196.5	892.4	none	0.90
		Exchange funds	Group averages 15.1%	−8.7%	3.0%				
		Not rated							
		American Capital Exchange Fund[34] (800-231-3638)	—*	−6.4%	2.9%	$47.2	−16.6%	none	$0.69
		Capital Exchange Fund (617-482-8260)	15.0%	−11.6	2.7	56.8	−16.4	none	0.76
		Chestnut St Exchange Fund (302-792-8800)	—*	−8.5	3.0	112.4	−13.7	none	0.62
		Depositors Fund of Boston (617-482-8260)	13.8	−15.3	2.9	47.3	−21.8	none	0.77
		Diversification Fund (617-482-8260)	14.3	−10.3	2.7	53.0	−16.0	none	0.77
		Exchange Fund of Boston (617-482-8260)	15.6	−12.8	2.8	47.1	−20.3	none	0.76
		Federated Exchange Fund (800-245-2423)	—*	−2.4	3.3	82.1	−12.3	none	1.02
		Fidelity Congress Street Fund (800-225-6190)	14.6	0.1	4.3	39.5	−11.4	none	0.66
		Fidelity Exchange Fund (800-225-6190)	—*	−5.6	3.4	115.3	−8.8	none	0.62
		Fiduciary Exchange Fund (617-482-8260)	17.4	−15.8	2.6	42.2	−22.1	none	0.78
		Second Fiduciary Exchange Fund (617-482-8260)	15.6	−11.0	2.9	58.7	−16.6	none	0.76
		State Street Exchange Fund (617-482-3920)	—*	−10.5	2.2	110.5	−16.0	none	0.61
		State Street Growth Fund (617-482-3920)	14.8	−3.0	3.4	204.2	−16.4	none	0.55
		Vance, Sanders Exchange Fund (617-482-8260)	—*	−8.8	2.5	127.2	−15.8	none	0.68
Portfolio average maturity (days)		**Money market funds†**	Date started					Minimum initial investment	
		These funds invest primarily in US government and federal agency obligations							
42		Active Assets Govt Securities Trust (800-221-3778)	7/81	—	8.5%	$ 113.3	1.3%	none†	$0.75
34		Alliance Govt Reserves-US Govt (800-221-5672)	7/79	—	8.6	164.3	3.5	$1,000	0.90
35		Automated Govt Money Trust (800-245-4270)	8/82	—	9.1	708.3	NM	100,000	0.50
56		Boston Co Govt Money Fund (800-343-6324)	5/82	—	8.6	25.7	−13.5	1,000	0.88
21		Alex Brown Cash Res Fund-Govt Ser (301-321-4444)	4/82	—	9.0	78.0	23.0	1,500	0.50
36		Calvert Cash Res-US Treas Portfolio (800-368-2748)	11/82	—	8.2	5.3	15.2	2,000	0.54
37		Capital Preservation Fund (800-227-8380)	10/72	—	8.4	1,641.3	−2.2	1,000	0.80
3		Capital Preservation Fund II (800-227-8380)	6/80	—	8.9	599.2	−4.1	5,000	0.85
32		Cardinal Govt Securities Tr (800-848-7734)	9/80	—	9.2	333.4	10.4	1,000	0.39
20		Carnegie Govt Secs Trust-Money Mkt Ser (800-321-2322)	4/80	—	8.9	157.8	−6.7	1,000	0.68
24		Cash Equiv Fund-Govt Portfolio (312-781-1121)	12/81	—	8.9	433.6	6.9	1,000	0.64
14		Centennial Government Trust (800-525-7048)	11/81	—	8.1	11.8	29.7	none†	1.44
45		CMA Govt Securities Fund (800-262-4636)	8/81	—	8.8	1,396.4	12.9	none†	0.53
29		Command Government Fund (800-222-4321)	2/82	—	8.7	85.6	62.1	none†	0.80
49		Current Interest-US Govt Portfolio (800-231-4645)	9/82	—	8.6	52.5	34.6	1,000	0.99

*Fund not in operation for full period. **Funds appear in this issue when they have net assets of $5 million or more and are deleted when net assets fall below $2 million. To earn a FORBES rating, a fund must have operated with the same investment policy during the two most recent stock market cycles. †Most funds are no load. Some funds are offered as part of an integrated financial services account which has a minimum initial investment. [34]Formerly American General Exchange Fund. NA: Not available. NM: Not meaningful.

1984 Fund Ratings

Portfolio average maturity (days)		Investment results: Date started	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Minimum initial investment	Annual expenses per $100
	Standard & Poor's 500 stock average			4.8%				
	FORBES stock fund composite			3.0%				
	FORBES balanced fund composite			8.3%				
	FORBES bond and preferred stock fund composite			12.6%				
	Money market funds†							
	These funds invest primarily in US government and federal agency obligations							
15	Daily Cash Government Fund (303-671-3464)	3/82	—	8.6%	$ 76.7	29.3%	$ 500	0.86%
36	DBL Cash Fund-Govt Secs Portfolio (212-480-4155)	3/82	—	8.9	183.7	5.5	1,000	0.75
41	Dean Witter/Sears US Gov MM Tr (800-526-3143)	2/82	—	8.5	326.5	0.3	1,000	1.06
27	Delaware Treasury Reserves (800-523-4640)	4/82	—	8.7	56.6	–14.1	1,000	0.82
62	Dreyfus MM Instru-Govt Sec Series (800-645-6561)	5/79	—	8.9	886.9	1.4	2,500	0.65
40	Equitable Government Securities Account (800-443-4430)	6/83	—	8.7	10.6	6.0	1,000	0.91
24	Fidelity MM Tr-US Govt (800-225-6190)	5/79	—	9.9	657.0	3.7	250,000	0.42
1	Fidelity MM Trust-US Treasury (800-255-6190)	4/81	—	9.3	273.2	63.4	250,000	0.42
27	Fidelity U S Government Reserves (800-225-6190)	11/81	—	8.9	380.8	30.6	1,000	0.77
1	Financial Planners Fed Secs Fund (800-424-8570)	2/80	—	7.2	6.5	–45.4	500	NA
26	The First Trust MM Fund (800-621-4770)	12/82	—	9.0	9.7	177.1	none†	0.63
14	First Variable Rate for Govt Inc (800-368-2748)	12/76	—	8.9	614.7	–24.6	2,000	0.93
36	Florida Mut US Govt Secs (305-522-0200)	10/80	—	7.9	4.6	–13.2	1,000	1.54
3	Franklin Federal Money Fund (800-632-2350)	5/80	—	8.6	140.9	26.4	500	1.00
35	Fund for Government Investors (202-861-1800)	3/75	—	8.9	977.5	6.0	2,500	0.68
32	GEICO Invest Series Govt Sec Cash (301-986-2200)	2/82	—	8.8	84.1	14.0	1,000	0.81
1	GIT Cash Trust-Govt MM Fund (800-336-3063)	12/82	—	8.9	6.7	–40.7	1,000	0.82
18	Government Investors Trust (800-336-3063)	7/79	—	8.9	323.7	–19.8	2,000	1.05
13	Government Money Instruments Tr (412-288-1450)	6/82	—	8.3	60.6	–22.9	1,000	1.26
32	Gradison US Government Trust (800-543-1818)	4/82	—	8.5	23.4	9.4	1,000	1.00
16	Hilliard-Lyons Government Fund (502-588-8603)	1/81	—	8.7	113.9	–12.5	3,000	0.79
45	Hutton Government Fund (212-742-6003)	6/82	—	9.1	811.9	28.7	10,000	0.55
21	Kemper Govt MM Fund (800-621-1048)	11/81	—	8.8	90.9	9.5	1,000	0.84
38	Kidder Peabody Govt Money Fund (212-510-5028)	5/83	—	8.7	90.4	288.0	1,500	0.82
6	Lehman Government Fund (800-221-5350)	10/81	—	8.8	340.5	221.5	2,500	0.86
42	Lexington Govt Securities MM Fund (800-526-4791)	1/82	—	8.6	18.1	–12.6	1,000	1.00
66	Liquid Green Tax-Free Trust (800-862-7283)	9/83	—	—*	6.1	—	1,000	0.78
51	MAP Government Fund (401-751-8600)	1/83	—	8.6	9.3	389.5	1,000	0.86
25	Mass Cash Mgmt Tr-Govt Series (800-343-2829)	2/82	—	8.7	31.0	87.9	1,000	0.71
43	Merrill Lynch Government Fund (800-225-1576)	9/77	—	9.0	1,403.1	–8.8	5,000	0.45
44	Merrill Lynch USA Govt Reserves (800-221-7210)	11/82	—	8.6	138.5	28.1	5,000	0.89
26	Midwest Inc Tr-ST Govt Fund (800-543-8721)	12/74	—	8.5	150.1	–8.4	1,000	1.01
5	The Money Fund of US Treas Secs (800-523-0864)	3/82	—	8.1	6.9	17.0	2,000	1.06
40	National Liquid Reserves–Govt Port (800-223-7078)	5/84	—	—*	37.9	—	1,000	NA
44	NEL Cash Mgt Tr-US Govt Series (800-225-7670)	6/82	—	8.8	30.4	20.6	1,000	0.75
45	Neuberger & Berman Govt Money Fund (800-367-0776)	11/83	—	—*	11.2	—	2,000	0.75
19	Oppenheimer U S Government Trust (800-525-7048)	7/82	—	7.9	8.1	6.6	1,000	1.50
43	Pacific Horizon Funds-Govt Portfolio (800-645-3515)	3/84	—	—*	107.9	—	1,000	NA
44	Paine Webber RMA Money–US Govt (800-762-1,000)	10/82	—	8.6	140.1	111.6	none†	0.78
38	T Rowe Price US Treas Money Fund (800-638-5660)	5/82	—	8.7	167.1	47.6	1,000	0.80
3	Prime Government Money Fund (800-328-4891)	10/82	—	8.6	4.9	0.0	1,000	0.52
32	Prudential-Bache Govt Secs Tr-MM (800-528-6166)	1/82	—	8.8	215.5	9.1	1,000	0.64
1	Renaissance Assets Trust-Govt Port (313-259-2600)	7/82	—	8.9	22.4	8.2	1,000	0.55

*Fund not in operation for full period. †Most funds are no load. Some funds are offered as part of an integrated financial service account which has a minimum initial investment. NA: Not available.

1984 Fund Ratings

Portfolio average maturity (days)		Investment results: Date started	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Minimum initial investment	Annual expenses per $100
	Standard & Poor's 500 stock average			4.8%				
	FORBES stock fund composite			3.0%				
	FORBES balanced fund composite			8.3%				
	FORBES bond and preferred stock fund composite			12.6%				
	Money market funds†							
	These funds invest primarily in US government and federal agency obligations							
4	Reserve CPA-Government Portfolio (212-246-3550)	10/82	—	9.1%	$ 18.1	28.4%	$1,000	$0.66
9	The Reserve Fund-Government Portfolio (800-223-5547)	10/81	—	8.7	273.4	0.4	1,000	0.78
41	Scudder Government Money Fund (800-225-2470)	11/81	—	8.5	130.7	–7.4	1,000	0.98
39	Selected MM Fund-Gov Port (800-621-7321)	5/82	—	8.5	2.2	–59.3	1,000	1.02
23	Seligman Cash Mgmt-Govt Port (800-221-2450)	9/82	—	8.7	16.8	47.4	1,000	0.86
14	Shearson FMA Government Fund (800-221-3636)	2/82	—	8.9	195.5	192.7	none†	0.76
28	Shearson Govt and Agencies (212-577-5794)	10/80	—	8.8	927.7	2.1	5,000	0.61
57	Short Term Income Fund-US (212-370-1240)	11/82	—	8.7	158.2	368.1	5,000	0.89
10	Sigma Govt Securities Fund (800-441-9490)	9/80	—	8.7	8.7	190.0	500	0.80
35	SteinRoe Government Reserves (800-621-0320)	9/82	—	8.5	33.7	174.0	2,500	1.00
18	Strategic Treasury Positions (800-527-5027)	11/81	—	8.1	9.1	19.7	1,000	1.01
33	Tucker Anthony Govt Secs Fund (800-225-6258)	2/82	—	8.7	88.1	8.1	2,500	0.76
33	UMB Money Mkt Fund-Federal Port (800-821-5591)	11/82	—	9.1	89.6	52.4	1,000	0.50
47	U S Treasury Securities Fund (800-531-5777)	2/82	—	8.2	102.1	171.5	1,500	1.33
78	USAA Mutual Fund-Fed Secs MM (800-531-8181)	1/83	—	8.2	25.5	810.7	1,000	1.10
38	Vanguard Money Market Tr-Fed Port (800-523-7025)	7/81	—	9.0	420.7	18.1	1,000	0.59
35	Vantage Government Portfolio (800-221-3434)	10/82	—	8.8	39.3	566.1	20,000	0.69
	These funds invest primarily in obligations exempt from federal income tax							
67	Active Assets Tax-Free Trust (800-221-3778)	7/81	—	5.0	308.7	68.3	none†	0.79
60	Alliance Tax-Exempt Reserves (800-221-5672)	1/83	—	5.0	134.4	96.8	1,000	0.72
38	D L Babson Tax-Free Inc Fund-MM (800-821-5591)	2/81	—	4.7	2.9	–9.4	1,000	0.75
62	Benham Calif Tax Free Trust-Money Mkt (800-227-8380)	11/83	—	—*	43.4	—	1,000	1.00
98	Calvert Tax-Free Reserves-MM (800-368-2748)	4/81	—	5.4	165.6	31.4	2,000	0.86
20	Cardinal Tax Exempt Money Trust (614-464-7085)	9/83	—	—*	16.6	—	1,000	NA
40	Carnegie Tax Free Income Trust (800-321-2322)	8/82	—	4.7	60.1	20.0	5,000	0.94
50	Centennial Tax Exempt Trust (800-525-7048)	9/81	—	5.0	58.6	38.9	none†	0.75
55	CIGNA Tax-Exempt Cash Fund (800-225-5151)	10/82	—	4.5	10.4	13.0	5,000	0.95
66	CMA Tax-Exempt Fund (800-262-4636)	1/81	—	5.0	3,114.8	22.8	none†	0.46
56	Command Tax-Free Fund (800-222-4321)	2/82	—	4.8	165.5	41.9	none†	0.74
42	Current Int-Tax Free Portfolio (800-231-4645)	5/83	—	4.8	45.6	111.1	1,000	0.58
46	Daily Cash Tax Exempt Fund (800-525-7048)	1/81	—	4.8	108.3	44.6	5,000	0.89
73	Daily Tax Free Income Fund (212-370-1240)	11/82	—	5.4	491.1	129.4	5,000	0.90
56	DBL Tax-Free Cash Fund (212-480-4590)	4/83	—	5.0	140.8	265.7	1,000	0.42
67	Dean Witter/Sears Tax-Free Daily Inc (800-526-3143)	2/81	—	5.0	294.6	12.0	5,000	0.73
85	Delaware Tax-Free Money Fund (800-523-4640)	9/81	—	5.0	43.8	28.8	5,000	0.80
89	Dreyfus Tax Exempt MM Fund (800-645-6561)	8/80	—	5.1	1,738.3	15.0	5,000	0.59
73	Eaton Vance Tax-Free Reserves (800-225-6265)	12/82	—	4.9	24.7	63.6	1,000	0.44
55	Equitable Tax-Free Account (800-443-4430)	6/83	—	4.5	17.3	69.6	1,000	0.91
60	Federated Tax-Free Trust (800-245-4270)	3/79	—	5.0	3,121.2	0.7	25,000	0.45
37	Fidelity Mass Tax-Free–Money Mkt (800-225-6190)	11/83	—	—*	61.9	—	2,500	NA
42	Fidelity Tax-Exempt MM Tr (800-225-6190)	1/80	—	5.2	2,368.4	22.2	10,000	0.37
73	First Investors Tax Exempt MM Fund (212-825-7900)	6/83	—	5.5	25.0	1,090.5	1,000	0.09

*Fund not in operation for full period. †Most funds are no load. Some funds are offered as part of an integrated financial services account which has a minimum initial investment. NA: Not available.

Portfolio average maturity (days)		Investment results Latest 12 months Date started	total return	return from income dividends	Total assets 6/30/84 (millions)	% change '84 vs '83	Minimum initial investment	Annual expenses per $100
	Standard & Poor's 500 stock average			4.8%				
	FORBES stock fund composite			3.0%				
	FORBES balanced fund composite			8.3%				
	FORBES bond and preferred stock fund composite			12.6%				
	Money market funds†							
	These funds invest primarily in obligations exempt from federal income tax							
39	Franklin Tax-Exempt Money Fund (800-632-2350)	2/82	—	4.9%	$62.4	–0.6%	$ 500	$0.80
58	Fund for Tax-Free Investors-MM (202-861-1800)	9/83	—	—*	17.2	—	2,500	0.18
84	GIT Tax Free Tr. Tax-Free MM (800-336-3063)	12/82	—	5.0	15.5	74.2	2,000	0.65
76	IDS Tax-Free Money Fund (800-328-8300)	8/80	—	5.0	65.7	6.7	2,000	0.66
50	Lehman Tax-Free Money Market Fund (800-221-5350)	10/82	—	5.0	263.0	157.3	2,500	0.55
96	Lexington Tax Free Money Fund (800-526-4791)	10/77	—	5.3	57.1	12.4	1,000	0.83
51	MFS Muni Working Capital Tr (800-343-2829)	3/80	—	4.9	12.4	49.4	1,000	0.50
82	Midwest Gp Tax Free Tr-MM Port (800-543-8721)	9/81	—	5.2	33.4	53.9	2,500	1.05
86	Municipal Cash Reserve Mgmt (212-742-6003)	5/81	—	5.2	862.6	24.7	10,000	0.52
59	NEL Tax Exempt MM Trust (800-225-7670)	4/83	—	5.4	21.5	211.6	1,000	0.02
54	Nuveen Tax-Exempt MM Fund (800-621-2431)	4/81	—	5.2	1,388.8	53.4	25,000	0.43
48	Nuveen Tax-Free Reserves (800-621-7210)	11/82	—	4.8	81.6	53.4	1,000	0.75
52	Paine Webber RMA Tax-Free Fund (800-762-1000)	10/82	—	4.7	276.1	149.2	none†	0.60
51	Parkway Tax-Free Reserves Fund (800-441-7786)	3/81	—	4.6	31.4	6.1	1,000	1.00
89	T Rowe Price Tax-Exempt Money Fund (800-638-5660)	4/81	—	5.3	786.6	23.6	1,000	0.63
60	Prudential-Bache Tax-Free Money (800-528-6166)	8/79	—	4.7	146.4	–0.3	2,500	0.91
63	Reserve NY Tax-Exempt Tr–NY Port (800-223-5547)	11/83	—	—*	13.4	—	1,000	0.95
60	Reserve Tax Exempt Tr–Interstate Port (800-223-5547)	11/83	—	—*	41.1	—	1,000	NA
52	L F Rothschild Exempt Fund (212-425-3300)	11/83	—	—*	35.0	—	2,500	NA
53	Scudder Tax-Free Money Fund (800-225-2470)	1/80	—	4.7	217.9	45.7	1,000	0.75
75	Shearson Daily Tax-Free Divid (212-577-5794)	10/82	—	4.9	198.5	150.6	5,000	0.69
80	Shearson FMA Municipal Fund (800-221-3636)	3/82	—	5.0	202.6	54.2	none†	0.74
47	SeinRoc Tax-Exempt Money Fund (800-621-0320)	3/83	—	5.0	141.4	114.9	2,500	0.92
54	Tax-Exempt Money Market Fund (800-621-1048)	7/82	—	5.0	282.5	93.8	1,000	0.72
52	Tax-Free Accounts (800-621-1256)	12/83	—	—*	119.3	—	25,000	NA
48	Tax Free Cash Res-General Ser (301-825-8600)	3/83	—	4.8	42.5	34.1	10,000	0.53
61	Tax-Free Instruments Trust (800-245-5048)	12/82	—	5.2	570.4	70[illegible].1	1,000	0.51
33	The Tax Free Money Fund (800-223-7078)	4/81	—	4.9	290.4	28.7	5,000	0.57
87	Tucker Anthony Tax Exempt Money Fund (800-225-6258)	12/82	—	4.6	38.5	22.6	2,500	0.65
72	USAA Tax-Exempt Money Market Fund (800-531-8181)	2/84	—	—*	15.4	—	10,000	1.16
81	Vanguard Muni Bond-Money Market (800-523-7025)	5/80	—	5.2	395.0	40.1	3,000	0.46
391	Vanguard Muni Bond-Short Term (800-523-7025)	9/77	—	9.0	346.2	5.8	3,000	0.46
	These funds invest in various types of money market instruments							
43	Active Assets Money Trust (800-221-3778)	7/81	—	9.0	1,440.1	13.2	none†	0.59
33	Alliance Capital Reserves[35] (800-221-5672)	7/78	—	8.8	815.7	–5.5	1,000	0.92
15	American Capital Reserve Fund (800-231-3638)	7/74	—	9.2	392.8	50.6	1,000	0.85
31	American National Money Market Fund (800-231-4639)	12/81	—	8.9	12.7	–18.6	2,000	0.77
36	Automated Cash Management Trust (800-245-4270)	5/82	—	9.3	501.9	598.1	100,000	0.50
18	Axe-Houghton Money Market Fund (914-631-8135)	9/81	—	8.5	17.4	–49.3	1,000	1.50
29	D L Babson MM Fund-Prime (800-821-5591)	3/80	—	9.0	59.0	–16.2	1,000	0.75
25	Birr, Wilson Money Fund (800-227-4398)	3/81	—	8.7	54.0	–27.2	1,000	1.10
19	BLC Cash Management Fund (800-247-4123)	2/83	—	8.7	24.7	216.7	1,000	1.10

*Fund not in operation for full period. †Most funds are no load. Some funds are offered as part of an integrated financial service account which has a minimum initial investment. NA: Not available. [35]Formerly American General Reserve Fund.

1984 Fund Ratings

Portfolio average maturity (days)		Date started	Investment results Latest 12 months total return	return from income dividends	Total assets 6/30/84 ($millions)	Total assets % change '84 vs '83	Minimum initial investment	Annual expenses per $100
	Standard & Poor's 500 stock average			4.8%				
	FORBES stock fund composite			3.0%				
	FORBES balanced fund composite			8.3%				
	FORBES bond and preferred stock fund composite			12.6%				
	Money market funds†							
	These funds invest in various types of money market instruments							
31	Boston Co Cash Mgmt Fund (800-343-6324)	8/79	—	9.1%	$229.0	−14.7%	$1,000	$0.84
30	Alex Brown Cash Res Fund-Pr Ser (301-321-4444)	8/81	—	9.1	602.3	5.3	1,500	0.57
8	RC Brown Money Market Fund (415-981-4050)	6/82	—	8.6	19.2	27.2	100	1.00
19	Bull & Bear Dollar Reserves[34] (800-431-6060)	6/80	—	8.8	107.6	4.4	1,000	1.17
17	Calvert Cash Res-Prime Portfolio (800-368-2748)	11/82	—	8.9	10.8	−12.2	2,000	0.43
21	Calvert Social Invest Fund–MM (800-368-2748)	11/82	—	9.2	25.2	62.6	1,000	0.41
21	CAM Fund (800-423-2345)	10/81	—	7.8	20.7	75.4	none	1.66
14	Capital Cash Management Trust (212-697-6666)	7/74	—	9.2	116.0	−14.1	1,000	0.68
27	Cash Equiv Fund-MM Portfolio (312-781-1121)	3/79	—	9.2	3,906.4	−5.1	1,000	0.71
15	Cash Mgt Trust of America (800-421-9900)	11/76	—	9.4	676.0	26.2	5,000	0.53
44	Cash Reserve Management (212-742-6003)	1/77	—	9.4	4,248.1	−11.2	10,000	0.48
23	Centennial Money Market Trust (800-525-7048)	11/81	—	8.8	181.6	25.5	none†	1.11
20	Cigna Cash Fund (800-225-5151)	10/82	—	9.0	28.4	25.1	5,000	0.70
33	CIGNA Money Market Fund (800-225-5151)	1/75	—	9.4	249.7	−3.3	500	0.49
54	CMA Money Fund (800-221-4146)	9/77	—	9.1	13,107.0	10.1	none†	0.46
23	Colonial Money Market Trust (617-426-3750)	1/81	—	8.8	12.9	22.9	3,000	1.09
27	Columbia Daily Income Co (800-547-1037)	11/74	—	8.8	459.8	1.9	1,000	0.79
28	Command Money Fund (800-222-4321)	2/82	—	9.2	797.9	80.6	none†	0.64
30	Composite Cash Management (800-541-0830)	11/79	—	8.8	150.3	−10.1	1,000	0.97
25	Connecticut Mutual Liquid Acct (800-243-0064)	3/82	—	8.8	63.8	28.1	1,000	1.00
21	Country Capital MM Fund (800-322-3838)	10/81	—	8.7	21.8	−1.4	1,000	1.08
41	Current Interest-MM Portfolio (800-231-4645)	6/74	—	8.6	756.6	−34.7	1,000	0.93
23	Daily Cash Accumulation (800-525-7048)	7/78	—	9.0	2,895.4	−12.1	500	0.76
39	Daily Dollar Reserves (212-370-1240)	6/83	—	9.1	100.8	289.2	5,000	0.86
38	Daily Income Fund (212-370-1240)	7/74	—	9.0	468.3	−5.7	5,000	0.77
46	Daiwa Money Fund (800-645-6561)	12/81	—	8.9	23.3	−23.4	2,500	0.97
41	DBL Cash Fund-MM Portfolio (212-480-4155)	2/81	—	9.2	931.5	2.6	1,000	0.69
42	Dean Witter/Sears Liq Asset Fund (800-526-3143)	9/75	—	9.1	5,503.4	−9.2	5,000	0.52
29	Delaware Cash Reserve (800-523-4640)	6/78	—	9.1	1,434.5	3.9	1,000	0.88
34	Dreyfus Dollar International Fund (800-645-6561)	8/83	—	—*	1,423.9	—	5,000	NA
57	Dreyfus Liquid Assets (800-645-6561)	1/74	—	9.1	7,798.6	−3.0	2,500	0.68
62	Dreyfus MM Instru MM-Series (800-645-6561)	4/75	—	9.2	831.5	−26.9	50,000	0.57
24	Eaton Vance Cash Mgmt Fund (800-225-6265)	1/75	—	9.0	190.2	6.4	1,000	0.79
37	EGT Money Market Trust (412-288-1561)	4/81	—	8.6	76.9	−16.8	1,000	1.13
34	Equitable Money Market Account (800-443-4430)	10/80	—	8.9	256.8	−7.7	1,000	0.95
37	Fahnestock Daily Income Fund (800-221-2990)	6/81	—	9.0	120.5	−12.4	1,000	0.80
21	FBL Money Market Fund (800-247-4170)	3/81	—	8.6	33.0	−14.3	500	1.24
32	Fidelity Cash Reserves (800-225-6190)	5/79	—	9.1	4,065.0	22.5	1,000	0.87
33	Fidelity Daily Income Trust (800-225-6190)	5/74	—	9.3	2,680.5	1.9	10,000	0.56
31	Fidelity MM Tr Domestic (800-225-6190)	5/79	—	9.4	1,359.6	−11.8	250,000	0.42
24	Financial Daily Income Shares (800-525-9831)	3/76	—	9.4	248.7	26.4	1,000	0.56
28	First American Money Fund (800-328-6020)	4/82	—	9.4	54.9	46.0	1,000	NA
21	First Investors Cash Mgmt Fund (800-221-3790)	10/78	—	9.0	357.6	−5.3	1,000	0.95
20	First Trust MMF-General Purpose Port (800-261-4770)	1/83	—	9.1	7.0	6,900.0	none	0.56
17	Founders Money Market Fund (800-525-2440)	7/81	—	9.0	61.7	269.5	1,000	0.80

*Fund not in operation for full period. †Most funds are no load. Some funds are offered as part of an integrated financial service account which has a minimum initial investment. NA: Not available. [34]Formerly Dollar Reserves.

1984 Fund Ratings

Portfolio average maturity (days)		Investment results: Date started	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 (millions)	Total assets: % change '84 vs '83	Minimum initial investment	Annual expenses per $100
	Standard & Poor's 500 stock average			4.8%				
	FORBES stock fund composite			3.0%				
	FORBES balanced fund composite			8.3%				
	FORBES bond and preferred stock fund composite			12.6%				
	Money market funds†							
	These funds invest in various types of money market instruments							
28	Franklin Money Fund (800-632-2350)	1/76	—	8.8%	$ 925.6	16.1%	$ 500	$1.00
71	General Money Market Fund (800-223-5682)	2/82	—	8.9	213.0	12.7	2,500	1.04
17	GIT Cash Trust-Regular MM Fund (800-336-3063)	12/82	—	5.0	6.5	–39.8	1,000	1.22
238	Gradison Cash Reserves Trust (800-543-1818)	5/76	—	8.9	415.7	–8.8	1,000	0.82
30	The Guardian Cash Management Tr (800-221-3253)	9/82	—	8.9	11.5	85.5	1,000	0.38
23	John Hancock Cash Management Tr (617-421-4506)	10/79	—	8.7	385.6	–12.6	1,000	1.00
12	Home Life Money Management Fund (800-221-5733)	5/82	—	8.9	7.5	–25.0	1,000	NA
25	Wayne Hummer Money Fund Tr-MM (800-621-4477)	4/82	—	8.8	57.0	0.4	1,000	1.00
34	Hutton AMA Cash Fund (800-334-4636)	3/82	—	9.3	896.2	415.7	none†	0.64
42	Hutton Investment-Short Term Invest (212-742-6372)	1/82	—	8.2	127.3	91.7	500	2.14
43	IDS Cash Management Fund (800-328-8300)	10/75	—	9.1	937.3	3.9	2,000	0.68
14	Investment Portfolios-Money Mkt Port (312-781-1121)	2/84	—	—*	8.9	—	300	NA
38	E D Jones & Co Daily Passport Cash Tr (314-851-2000)	5/80	—	8.8	518.6	–4.4	1,000	1.03
24	Kemper Money Market Fund (800-621-1048)	11/74	—	9.5	4,072.6	18.6	1,000	0.53
23	Keystone Liquid Trust (800-225-2618)	7/75	—	8.8	313.3	30.8	1,000	1.00
35	Kidder Peabody Premium Account (212-510-5028)	5/82	—	9.1	251.8	107.6	none†	0.70
39	Legg Mason Cash Reserve Trust (412-288-1900)	10/78	—	8.7	187.7	–11.9	5,000	1.07
22	Lehman Cash Management Fund (212-558-3288)	1/81	—	9.3	899.6	36.3	2,500	0.71
54	Lexington Money Market Trust (800-526-4791)	7/78	—	9.1	228.6	–3.3	1,000	0.87
20	Liberty Cash Management Fund (800-221-2450)	9/82	—	8.7	27.9	121.4	1,000	1.09
16	Liquid Capital Income Trust (800-321-2321)	11/74	—	9.1	1,295.2	–8.0	1,000	0.68
31	Liquid Green Trust (800-862-7283)	11/80	—	9.4	156.9	28.3	1,000	0.94
30	Lord Abbett Cash Reserve Fund (212-425-8720)	7/79	—	8.9	216.6	–5.0	1,000	0.89
25	Managed Cash Account Trust (800-343-2829)	1/82	—	8.9	36.1	18.4	1,000	1.00
24	Mass Cash Mgmt Tr-Prime Series (800-343-2829)	12/75	—	9.2	757.7	5.1	1,000	0.71
27	MassMutual Liquid Assets Tr (800-343-1714)	8/82	—	9.0	29.0	52.6	1,000	0.90
37	McDonald Money Market Fund (212-715-6213)	5/81	—	8.7	141.4	0.1	500	0.79
38	Merrill Lynch Institutional Fund (800-225-1576)	12/74	—	9.3	935.1	–10.3	25,000	0.50
56	Merrill Lynch Ready Assets Trust (800-221-2939)	2/75	—	9.0	11,078.6	–20.1	5,000	0.53
39	Merrill Lynch Retire Res Money Fund (800-221-7210)	4/82	—	8.8	1,243.0	13.8	none	1.02
23	Midwest Income Tr-Cash Mgmt Fund (800-543-8721)	1/82	—	8.9	48.1	13.7	1,000	0.94
23	Money Market Instruments Trust (412-288-1450)	3/82	—	8.6	183.9	25.0	1,000	1.11
36	Money Market Management (800-243-2423)	1/74	—	8.8	260.4	–11.0	1,000	0.94
16	Money Shares (800-221-5757)	1/78	—	7.9	15.5	50.5	1,000	1.47
27	MoneyMart Assets (800-221-7984)	6/76	—	9.4	2,877.5	9.6	1,000	0.46
40	Morgan Keegan Daily Cash Trust (412-288-1900)	12/80	—	8.6	60.4	–4.6	5,000	1.19
31	Mutual of Omaha Cash Res Fund (402-397-8555)	3/81	—	8.8	51.8	150.2	1,000	1.25
34	Mutual of Omaha MM Account (402-397-8555)	7/79	—	9.0	273.9	–12.4	1,000	0.83
48	National Cash Reserves (800-223-7757)	4/82	—	8.9	45.4	46.5	1,000	0.91
48	National Liquid Reserves-Cash Port (800-223-7078)	8/74	—	9.1	1,366.5	–11.1	1,000	0.64
34	Nationwide Money Market Fund (800-848-0920)	3/80	—	9.1	418.3	5.9	1,000	0.78
29	NEL Cash Mgmt Tr-MM Series (800-225-7670)	7/78	—	9.2	732.3	6.4	1,000	0.58
35	Newton Fund-Money Fund (800-247-7039)	10/81	—	8.9	13.9	25.2	1,000	1.04
27	Oppenheimer Money Market Fund (800-525-7048)	4/74	—	9.3	1,412.0	32.6	1,000	0.71
28	Oxford Cash Management Fund (212-896-9052)	2/83	—	9.2	100.5	1.0	1,000	0.65

*Fund not in operation for full period. †Most funds are no load. Some funds are offered as part of an integrated financial service account which has a minimum initial investment. NA: Not available.

Portfolio average maturity (days)		Investment results: Date started	Latest 12 months: total return	Latest 12 months: return from income dividends	Total assets: 6/30/84 ($millions)	Total assets: % change '84 vs '83	Minimum initial investment	Annual expenses per $100
	Standard & Poor's 500 stock average			4.8%				
	FORBES stock fund composite			3.0%				
	FORBES balanced fund composite			8.3%				
	FORBES bond and preferred stock fund composite			12.6%				
	Money market funds†							
	These funds invest in various types of money market instruments							
16	Pacific Horizon Funds-Money Mkt Port (800-645-3515)	3/84	—	—*	$110.2	—	$1,000	$0.73
37	Paine Webber CASHFUND (212-437-5306)	5/78	—	9.1%	4,055.8	-7.5%	5,000	0.56
38	Paine Webber RMA Money Fund (800-762-1000)	10/82	—	9.0	774.3	248.0	none†	0.75
29	Parkway Cash Fund (800-441-7786)	11/79	—	8.9	348.0	-21.4	1,000	0.83
32	Phoenix Money Market Fund Series(800-243-1574)	7/80	—	9.0	46.4	18.7	1,000	0.82
23	Plimoney Fund (800-441-9151)	2/80	—	8.7	34.8	-23.0	1,000	1.03
33	T Rowe Price Prime Reserve Fund (800-638-5660)	3/76	—	9.3	2,934.6	16.0	1,000	0.63
25	Prime Cash Fund (212-986-6334)	4/83	—	9.3	135.4	42.7	1,000	NA
35	Putnam Daily Dividend Trust (800-225-1581)	9/76	--	8.9	275.5	-8.4	1,000	0.85
1	Renaissance Assets Tr-MM Port (313-259-2600)	7/82	—	9.2	54.3	36.8	1,000	0.55
1	Reserve CPA-Primary Portfolio (800-223-2213)	6/83	—	9.3	10.0	0.0	1,000	0.66
36	The Reserve Fund-Primary Port (800-223-5547)	11/71	—	8.9	1,702.2	-15.3	1,000	0.75
31	L F Rothschild Earnings & Liquidity (212-425-3300)	4/82	—	9.1	313.5	-13.0	2,500	0.74
15	RPF of America–Money Market Fund (505-983-4355)	9/76	—	8.8	8.6	-63.1	1,000	0.75
26	SAFECO Money Market Mutual Fund (800-426-6730)	4/82	—	9.3	33.7	103.0	1,000	0.73
12	St Paul Money Fund (800-328-1064)	11/79	—	8.9	88.0	-9.3	1,000	0.88
9	Santa Fe Cash Reserves (505-983-4335)	2/82	—	8.2	6.9	30.2	1,000	1.69
28	Scudder Cash Investment Trust (800-225-2470)	7/76	—	8.8	990.1	10.4	1,000	0.72
20	Security Cash Fund (800-255-3509)	10/80	—	8.9	70.4	23.5	1,000	1.00
24	Selected MM Fund-Gen Port (800-621-7321)	10/77	—	8.4	26.7	-27.1	1,000	1.13
20	Seligman Cash Mgmt Fund-Prime Port (800-221-2450)	1/77	—	8.8	435.3	6.6	1,000	0.94
33	Sentinel Cash Management Fund (802-229-3154)	10/81	—	8.9	35.0	18.6	1,000	0.75
23	Sentry Cash Management Fund (800-826-0266)	6/81	—	8.8	29.9	-9.4	1,000	0.87
12	Shearson Daily Dividend (212-577-5794)	6/79	—	9.2	3,593.0	-17.1	5,000	0.68
14	Shearson FMA Government Fund (800-221-3636)	2/82	—	9.2	655.1	45.3	none†	0.75
33	Short Term Income Fund-MM Port (212-370-1240)	1/80	—	9.0	253.7	27.2	5,000	0.78
16	Short-Term Yield Securities (713-626-1919)	5/78	—	8.6	17.1	-23.0	1,250	1.10
13	Sigma Money Fund (800-441-9490)	9/80	—	8.8	14.9	77.4	500	1.00
30	Standby Reserve Fund (212-483-0700)	11/81	—	9.1	220.5	7.7	2,000	0.76
15	State Bond Cash Mgmt Fund (800-533-3604)	2/82	—	8.6	3.6	-12.2	1,000	1.00
30	SteinRoe Cash Reserves (800-621-0320)	10/76	—	9.1	935.4	30.9	2,500	0.70
47	Summit Cash Reserves Fund (800-221-7210)	12/82	—	9.1	416.3	-13.0	5,000	0.77
33	SUTRO Money Market Fund (415-445-8500)	2/82	—	8.6	91.5	-9.0	5,000	1.08
25	Transamerica Cash Reserve (800-343-6840)	8/80	—	9.5	372.0	39.9	500	0.49
15	Trinity Liquid Assets Trust (212-986-3303)	1/83	—	9.3	274.4	85.7	1,000	0.60
39	Trust for Cash Reserves (800-245-5048)	2/80	—	8.7	146.3	-11.5	1,000	1.08
34	Tucker Anthony Cash Mgmt Fund (800-225-6258)	4/81	—	9.0	333.6	-0.4	2,500	0.83
26	UMB Money Mkt Fund-Prime Port (800-821-5591)	11/82	--	9.0	48.1	NM	1,000	0.50
41	United Cash Management (316-283-4000)	8/79	—	8.9	344.8	-0.7	1,000	1.06
35	USAA Mutual Fund-MM Fund (800-531-8181)	2/81	—	9.1	226.9	99.6	1,000	0.97
24	The Value Line Cash Fund (800-847-4143)	4/79	—	9.2	538.0	14.7	1,000	0.83
21	Vanguard MM Tr-Insured Portfolio (800-523-7025)	2/83	—	8.8	30.6	197.1	1,000	0.97
34	Vanguard MM Tr-Prime Portfolio (800-523-7025)	6/75	—	9.3	1,318.5	41.0	1,000	0.59
35	Vantage Cash Portfolio (800-221-3434)	10/82	—	9.1	163.8	313.6	20,000	0.68
36	Webster Cash Reserve (212-510-5028)	8/79	—	9.1	1,129.9	-1.9	1,500	0.66

*Fund not in operation for full period. †Most funds are no load. Some funds are offered as part of an integrated financial service account which has a minimum initial investment. NA: Not available. NM: Not meaningful.

Performance data supplied by Computer Directions Advisors, Inc., Silver Spring, Md.

You don't have to be bearish on stocks to conclude that it's time to get them out of your IRA or Keogh account.

How to pull a Chrysler

By William Baldwin

GERALD GREENWALD, vice chairman and chief financial wizard of Chrysler Corp., has unloaded the $450 million of stocks in the company pension fund in order to buy bonds. He must be onto something. Does this mean individual investors should think about dumping stocks in their individual retirement accounts in favor of bonds?

They should certainly consider it, but not for the obvious reason.

It seems, at first blush, to be a simple matter of being more bullish on bonds than on stocks. Inflation is low, and yields on long-term debt are a tempting 13% and up. Can stocks possibly beat that? Plenty of corporate pension managers seem to be saying "no" by locking in high yields on bonds.

But to see this process as a simple sell signal for stocks is to miss the big picture. Let's take a closer look at what the corporations are up to.

"There's a switch from stocks to bonds in pension accounts. But that's not bearish for stocks, because corporations are buying stocks themselves. It's a question of where the equity is owned," says Robert Salomon Jr., a managing director at Salomon Brothers. The stock-buying binge he refers to includes outright takeovers as well as the minority 5% and 20% positions companies take in other companies merely for investment. It also includes corporations' buying in their own shares, at an annual rate Salomon estimates at $30 billion.

When the equity buying is debt-financed, as it often is, it has a tax advantage: Interest on the debt is deductible. This process of issuing debt and buying in equity has a disadvantage, though. The leverage increases the risk level of the corporation. The companies are, in effect, buying on margin. But there is a cure for that. The corporation can load up on bonds in its tax-sheltered pension fund.

What is left from all this asset shuffling? The corporation has issued debt at the corporate level, on which it deducts the interest. Meanwhile it owns comparable debt instruments in its pension fund, on which the interest is tax-exempt. It may hold a bit less in stocks in its pension fund than it would otherwise. Yet it may own a new wad of equities in its corporate account, or have shrunk its own equity base by buying in shares.

Rarely do corporate treasurers make these exchanges by overt design, yet this is the undeniable process at work in the capital markets. Over the past several decades corporate balance sheets have seemingly deteriorated, yet corporations have amassed large pension funds. Du Pont leveraged itself with $3.9 billion of debt to buy the equity in Conoco, but it has $2.6 billion more than is legally required in its pension fund. This year Chrysler's pension fund sold equities and bought debt securities. Chrysler Corp. sold debt (through a finance subsidiary) and bought equity (by buying in some of its own preferred and some stock warrants). The net effect, even though, of course, not precisely the same securities are involved—and even though Chrysler doesn't interpret its actions in this holistic fashion—is a rearrangement of the overall corporate portfolio so that tax benefits are maximized.

What does Salomon read in all this? He says it's not bearish for the stock market, just for the tax collector. Emulating a corporation, he owns stock directly, so long-term gains are taxed at low rates, but makes fixed-income investments through his IRA and tax-sheltered thrift plan.

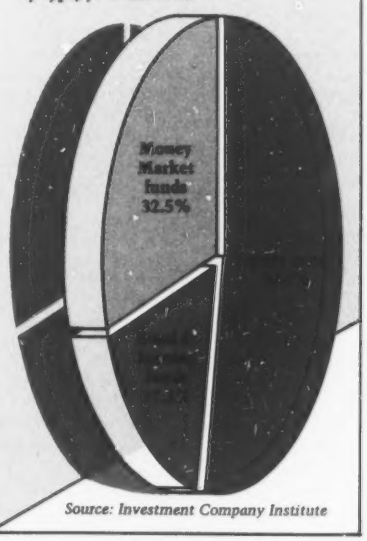
Look at Jeremy Bulow, an associate professor of economics at Stanford. He owns stocks in his taxable account. His IRA and Keogh money is all in money markets and a Vanguard high-yield bond fund. "A junk bond is a fantastic pension fund investment," he says, since it throws off lots of painfully taxable interest income, coupled with occasional capital losses from defaulted bonds, which aren't always useful as deductions. A crummy investment, in other words, if taxable, but all the merrier if sheltered.

Individuals might do well to look on their personal leverage the way Salomon looks on corporate leverage, with pension money consolidated. An investor might be comfortable with a high mortgage (interest deductible) if he has a fat Keogh that owns bonds of comparable maturity (interest-exempt). That is a nice tax-minimizing arbitrage worthy of a corporation. Anyone who owns fixed-income investments directly, but owns equities or an equity mutual fund in a tax-sheltered account, should consider pulling a Chrysler. Sell bonds and buy stocks in the regular account. Buy bonds and sell stocks in the IRA. ■

Taking stock

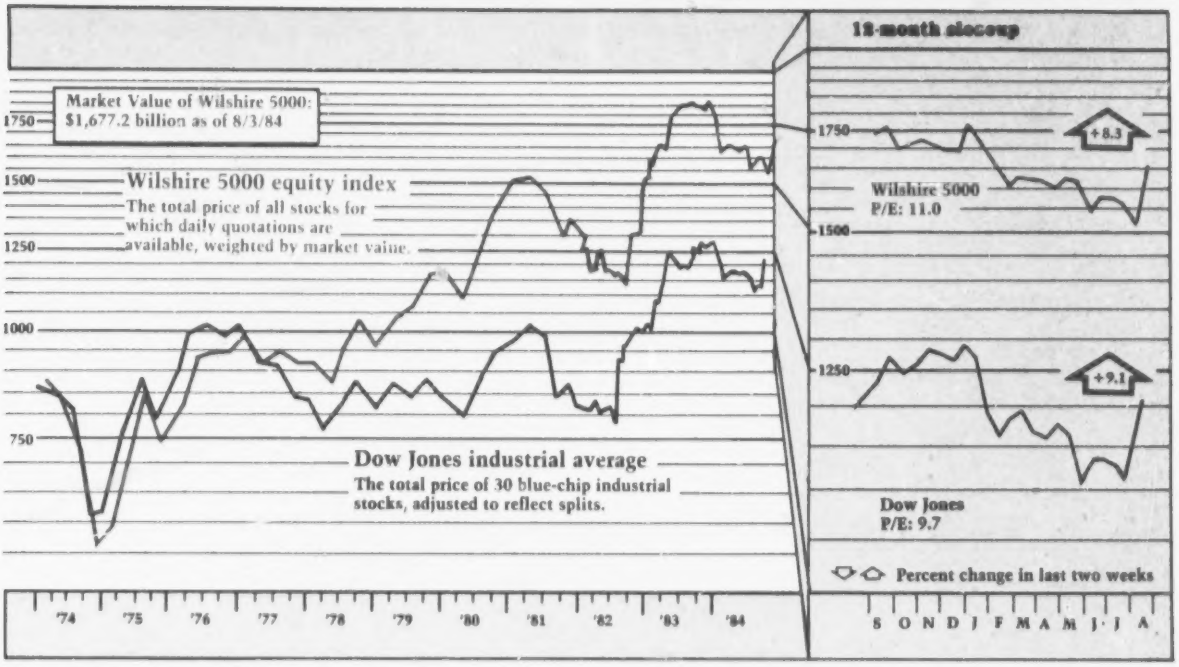
Although bank and thrift accounts are still the main vehicle for IRA savings, mutual funds are capturing an increasing share of the business, with half the mutual fund IRAs going into stocks. But for most investors an IRA is a poor location for a stock portfolio.

Mutual fund IRA assets by type, year-end 1983



Source: Investment Company Institute

The Forbes/Wilshire 5000 Review



The magic is back! Wall Street broke out of its losing streak with a vengeance. The extent and breadth of the rally, and the record volume levels, quickly put to rest any thoughts that the market was just enjoying a few lucky days. But while most investors were raving about the 8.3% two-week gain in the more-than-5,000-stock Wilshire index, short sellers were moaning. That sparked a round of panic buying, as they rushed to cover their positions. Then cash-rich institutions joined the fray, fearful of missing the big move.

The result: The market capitalization of the Wilshire index was up by more than $77 billion for the two-week period. The Dow industrials scored the biggest advance, up 9.1%. Both the NYSE and the Forbes 500 added more than 8%. But secondary shares also racked up big numbers. The Amex gained 6.7%, the NASDAQ, 7.4%.

How much higher will the market averages go? By some calculations, there is lots of upside potential. The Forbes 500 (sales) now trades at only 6.5 times 1985 earnings estimates. The current P/E on the Wilshire index is only 11, well below the recent high of 14.9 posted at the end of June 1983. But before multiples expand as they did after the rally that began in the summer of 1982, investors may want to see clear signs of declining interest rates.

Close-up On The Equity Markets

Performance of six leading indexes

Percent change	Wilshire 5000	Forbes 500[1]	Dow Jones industrials	NYSE Composite	Amex Market Value Index	NASDAQ Composite
in last 4 weeks	6.0	6.7	7.1	6.1	3.4	4.0
in last 52 weeks	–3.6	1.0	1.6	–0.4	–11.9	–18.0

Stock performance based on six key investor yardsticks

Percent change	Company size		Volatility[2]		P/E multiple		Dividend yield		Growth profile[3]		Share price	
	large	small	high	low	over 25	under 5	over 7.5%	none	high	low	over $40	under $4
in last 4 weeks	6.8	0.9	2.8	3.4	0.5	3.9	3.0	0.1	–0.2	3.7	4.9	–2.4
in last 52 weeks	–1.9	–14.4	–18.3	4.6	–22.8	–4.6	2.7	–13.2	–18.1	5.1	1.5	–21.1

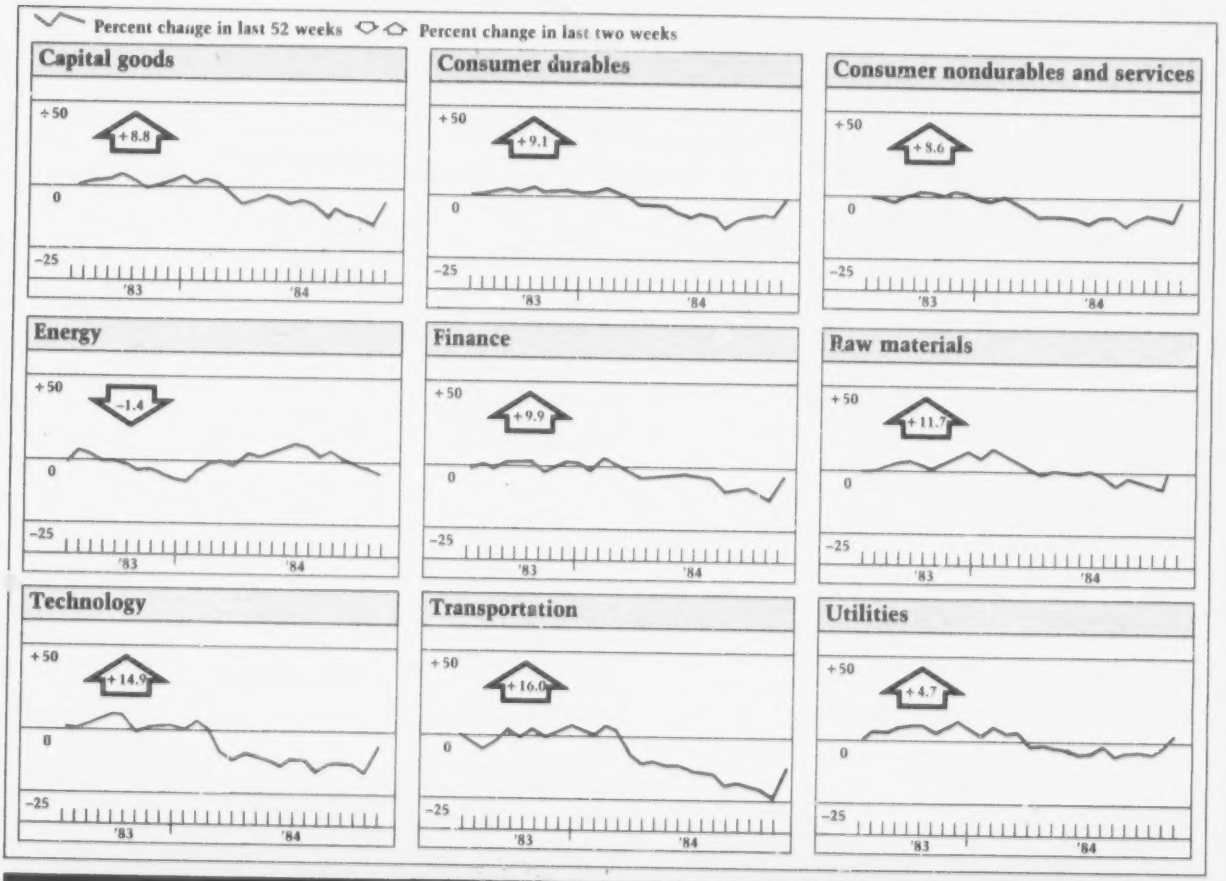
[1]Based on sales.
[2]A stock's sensitivity to overall market movement. High-volatility issues have wide price fluctuations, low-volatility issues are more stable.
[3]A quantitative evaluation of a stock's growth image, determined by Wilshire Associates.

Note: All data for periods ending 8/3/84. Prepared by Wilshire Associates, Santa Monica, Calif.

Shelley Dell

Where The Action Is

All this and volume too! In the most recent two-week period, eight of the nine Wilshire sectors scored impressive gains. The transportation group ranked first, with a 16% jump. Technology, a group that has performed poorly over the past 12 months, was second, with an increase of 14.9%. One reason for this dramatic turnaround: the price rebound of IBM, which was up almost 14 points. The raw materials sector, with an 11.7% advance, was the third-best performing group. And the struggling utilities group merit honorable mention, with a 4.7% gain. There was only one real loser in the pack: the energy stocks, which fell 1.4%.



What The Analysts Think

Falling estimates in a rising market. While investors were on a wild buying spree, security analysts were busy cutting back their 1984 earnings estimates for eight of the nine Wilshire sectors. In just two weeks the analysts reduced their estimates 2% or more for four sectors: technology, energy, raw materials and finance.

Forecasting the Forbes 500

Performance period	Average earnings per share	P/E
latest 12 months	$2.88	10.7
1984 estimates	3.95	8.2
1985 estimates	4.74	6.5

Rank based on change in estimate	Sector	Estimated 1984 EPS	% change in 1984 estimate in 2 weeks	in 4 weeks
1	Utilities	$2.93	0.16%	0.12%
2	Capital goods	2.40	-0.15	-1.94
3	Transportation	2.61	-0.80	-3.00
4	Consumer durables	3.28	-0.85	-1.63
5	Consumer non-durables	2.64	-1.04	-1.66
6	Technology	2.04	-2.08	-2.57
7	Energy	2.67	-2.47	-2.78
8	Raw materials	3.28	-2.77	-3.37
9	Finance	3.53	-3.05	-3.51

Earnings projections are equal-weighted consensus estimates from over 1,800 security analysts. Forecasts for the 9 Wilshire sectors are limited to firms with 3 or more estimates, with a mean estimate greater than $0.50. Data are compiled and updated weekly by Zacks Investment Research, a Chicago-based quantitative consulting firm.

Note: All data for periods ending 8/3/84. Prepared by Wilshire Associates, Santa Monica, Calif., Zacks Investment Research, Inc., Chicago, Ill.

Shelley Dell

Why should the belly price structure have such a bearish cast? It shouldn't, and therein lies a potential profit.

HOG TIDE EBBS

By Stanley W. Angrist

Hog producers have been sustaining losses since late 1982, with only one or two isolated profitable months. Lack of profitability has caused producers to liquidate their herds, resulting in numbers lower than those of a year ago. The December 1983 hog report showed the breeding herd to be 1% smaller than that of the year before. In March the USDA report indicated that the ten-state breeding herd inventory was down 10% year to year, and in advance of the most recent report—for June– most trade analysts had projected even further declines. The report, however, disappointed bulls when breeding hogs were shown to be only 9% lower than in 1983.

The parts of the report important to us are given in the table. In addition to the 9% drop of hogs kept for breeding, the number of hogs and pigs in inventory on June 1 and the number available for market also declined 9%. The trade was expecting a bigger drop.

The next item of interest is the number of market hogs and pigs by weight group; in the under-60-pound group there are only 87% as many animals as there were last year. (These are the hogs that will be coming to market next year.) While this number could be expanded, it should be kept in mind that hog farmers won't increase their herds until the feed costs for the coming year are assured. And that won't happen until November, when the 1984 corn crop will be in the bin. Given that nature dictates a ten-month lag from breeding to slaughter, it also seems unlikely that hog supplies can increase before July 1985.

The report also shows that the number of hogs bred in the March-to-May period was only 88% of those bred in 1983. Also of interest is the claim of hog farmers that they will breed 9% fewer animals in the June-to-November period than they did in the same period of 1983.

The numbers contained in this report can be used to build a low-risk trade, according to Gerard Miller, a Chicago-based commodity trader. Miller points out that the supply of 1985 bellies will be extremely tight. According to the contract's specifications, bellies produced in 1984 are not deliverable against any 1985 contract. Moreover, with the breeding herd and breeding intentions down, an early expansion of the belly supply is extremely unlikely. In part, the market for 1985 belly contracts reflects this potential scarcity, as they are trading at about a 10-cent premium to the 1984 contracts. However, the market price structure month to month anticipates no shortage of bellies, as the later months are trading at about 50% of full carrying charges.

The two trades of interest are long March/short July bellies, with July at a premium of at least 2.5 cents. Another trade to consider would be to go long May/short July with the latter at least 1.4 cents over May. From the entry point, I would risk no more than 1.5 cents ($570 per spread) for the first spread and 1 cent ($380) for the second spread. In the event that interest rates continue to rise, the cost of carry would also rise, which could tend to widen the spread. The market is thin, and limit orders must be used to take up positions. Historically, these spreads could be classified as relatively low risk. The March/July spread has exceeded 4 cents only once in the last 12 years. However, prudent traders should keep in mind that bellies are volatile and spreads in them can get out of line very quickly.

In terms of profits, I would look for the spreads to go to even money, which would yield a $950 profit on the March/July spread or a $532 profit in the May/July case. The margin on these spreads is about $700, while the round-turn commission is $100. ■

Buy the numbers

Below, the number of hogs and pigs in inventory and farrowed for the current year and the preceding two years, as given in the USDA June hogs and pigs report. Hog farmers clearly are not expansion-minded, nor are they likely to be until this year's corn crop is safely in the bin.

Inventory numbers June 1	1982	1983	1984	1984 as a % of 1982	1984 as a % of 1983
	(millions)				
All hogs and pigs	52.2	57.5	52.0	100%	91%
Kept for breeding	7.4	8.1	7.3	99	91
Available for market	44.8	49.4	44.7	100	91
Sows farrowing					
March to May	3.0	3.5	3.1	102	88
June to November	5.8	6.1	5.6	97	91

*Farmers' intentions expressed this spring.

Stanley W. Angrist is a commodity speculator, consultant and longtime observer of the commodity markets.